Supplementary Information for Legislative Review

2002-2003 Departmental Expenditure Estimates

Manitoba
Industry, Trade
and Mines

102-06784/

INDUSTRY, TRADE AND MINES

SUPPLEMENTARY INFORMATION

FOR

LEGISLATIVE REVIEW

2002-2003 EXPENDITURE ESTIMATES

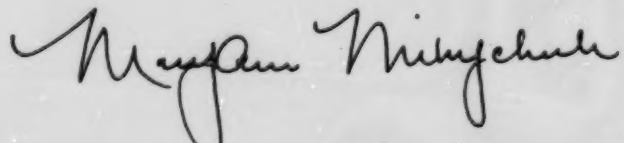
PREFACE

This document has been prepared by the Department of Industry, Trade and Mines as a departmental supplement to its Printed Main Estimates. It is intended to provide background information on the department, which should complement the information contained in the Printed Main Estimates.

The contents of this supplement are organized into five parts:

- The first part provides an overview of the department's 2002/03 budget requirements.
- The second part provides program and financial information including details of staffing requirements and expenditures. Information is organized on the basis of existing main appropriations so that it will provide an easy cross reference to the Printed Main Estimates.
- The third part provides a five-year historical budget comparison of the Department of Industry, Trade and Mines.
- The fourth part includes program and financial information relating to special operating agencies.
- The fifth part provides a standard glossary of terms.

This document has been developed to assist members of the Legislature in the review of the Printed Main Estimates. It is hoped that it will provide a meaningful information supplement and that it will meet the needs of the users of the information. I welcome feedback as to the usefulness of this supplementary information.



THE HONOURABLE MARYANN MIHYCHUK, P. Geo.
MINISTER OF INDUSTRY, TRADE AND MINES

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PART 1

DEPARTMENTAL OVERVIEW

DEPARTMENT OF INDUSTRY, TRADE AND MINES

MINISTER

HONOURABLE MARYANN MIHYCHUK, P. Geo.

DEPUTY MINISTER

HUGH ELIASSON

ROLE AND MISSION

The Minister of Industry, Trade and Mines and the department, in pursuit of a vision of a prosperous and dynamic Manitoba economy generating progressive and sustainable employment growth for all Manitobans, have established as their mission:

To facilitate job creation by fostering and promoting an environment conducive to the sustainable development and growth of Manitoba business, mineral and petroleum resources.

To achieve its mission, the department is organized in 5 divisions:

THE ADMINISTRATION AND FINANCE DIVISION provides central administrative services and statistical and labour force information to the department and other agencies of government; provides analytical, advisory and coordination support services to the Department and related agencies in the areas of trade, economic development issues and departmental planning; monitors and reports on the activities and policies of the federal government; and provides grant funding to the Manitoba Horse Racing Commission to provide for the supervision and regulation of horse racing in Manitoba.

THE BUSINESS SERVICES DIVISION promotes industrial development; provides or facilitates business access to capital; promotes trade and investment; foster and enhance business development opportunities in mineral economic development through promotion and marketing activities; coordinates and delivers a range of services for the enhancement and growth of Manitoba's entrepreneurial and small business community and provides support to groups and communities seeking to incorporate as cooperative; develops and implements government-wide economic development strategies encompassing Manitoba's hydro-electric resources and alternative energy development opportunities; develops energy policies and monitors the implementation of climate change.

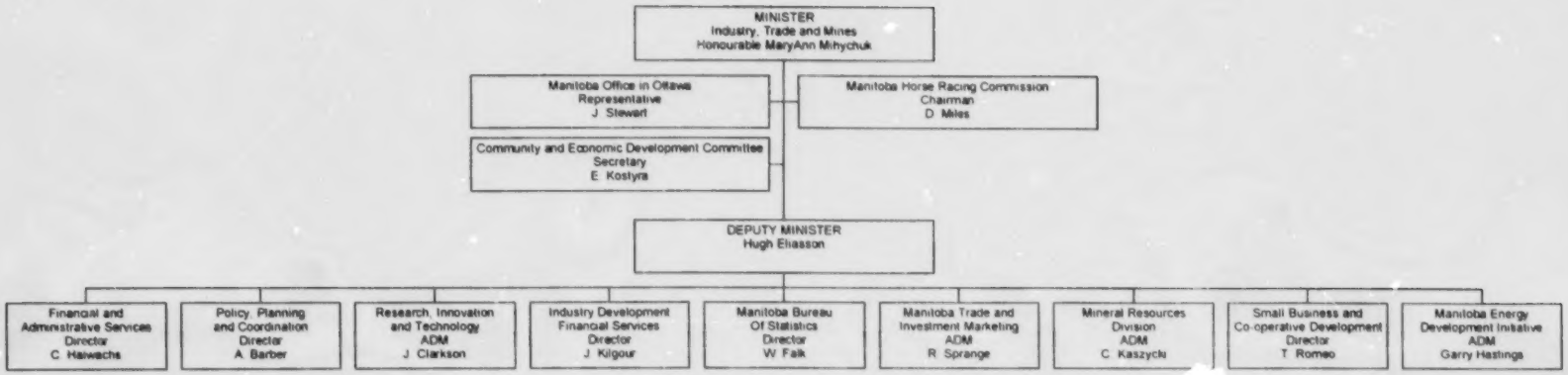
THE MINERAL RESOURCE DIVISION promotes wise land management and environmentally sustainable economic development in the province based on Manitoba's mineral and petroleum resources; provides authoritative documentation of the province's mineral and petroleum endowment and development potential; delivers mineral incentive programs; administration of legislation governing the disposition of mineral and petroleum rights, exploration, development and production of Manitoba's mineral and petroleum resources and, the rehabilitation of mines, quarries and abandoned petroleum sites; provides for the resolution of disputes between surface and/or mineral rights holders with respect to accessing minerals including oil and gas.

COMMUNITY ECONOMIC DEVELOPMENT provides analytical expertise and administrative support to the Community Economic Development Committee of Cabinet; coordinates all major government initiatives relating to community and economic development in the province; provides advise to the Premier on development of the government's economic strategy, identifies priorities for the provincial economy, and solicits input from the broader community and assists in formulating policy recommendations.

MANITOBA RESEARCH, INNOVATION AND TECHNOLOGY provides for the development, analyses and communication of policies related to innovation, research and development, technology and telecommunications; delivers the Health Research, the Centres of Excellence Initiatives, the Research and Innovation Fund; provides development services to industry in the areas of technology and infrastructure to support economic growth and stimulate employment; and coordinates all research, innovation, science and technology initiatives in government.

Program and financial information for each division is provided in Part 2.

INDUSTRY, TRADE AND MINES
ORGANIZATION CHART
EFFECTIVE APRIL 1, 2002



NOT REFLECTED ON THIS CHART:
THE MANITOBA TRADE AND INVESTMENT CORPORATION , THE MANITOBA DEVELOPMENT CORPORATION,
THE MANITOBA MINING BOARD AND THE SURFACE RIGHTS BOARD

SCHEDULE 1

SCHEDULE 2

STATUTORY RESPONSIBILITIES OF THE MINISTER OF INDUSTRY, TRADE AND MINES

The Co-operative Associations Loans and Loans Guarantee Act

The Cooperative Promotion Trust Act

The Crocus Investment Fund Act

The Design Institute Act

The Economic Innovation and Technology Council Act

The Electronic Commerce and Information Act (except Part 5)

The Gas Pipe Line Act

The Gas Allocation Act

The Greater Winnipeg Gas Distribution Act (S.M. 1988-89, c. 40)

The Horse Racing Commission Act

The Labour-Sponsored Venture Capital Corporations Act

The Mines and Minerals Act

The Mining and Metallurgy Compensation Act

The Oil and Gas Act

The Oil and Gas Production Tax Act

The Statistics Act

The Manitoba Trade and Investment Corporation Act

As per Schedule "L", Order-In-Council 414/2001

SCHEDULE 3

DEPARTMENT OF INDUSTRY, TRADE & MINES
EXPENDITURE SUMMARY
BY MAIN APPROPRIATION

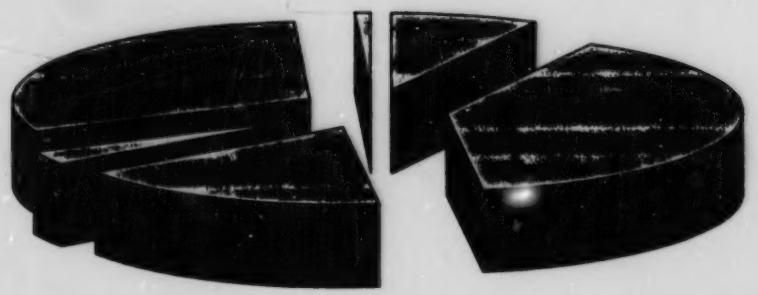
		Estimates of Expenditure 2002/2003 $(000's)	Change From 2001/2002 %	Estimates of Expenditure 2001/2002 (adjusted) $(000's)
1.	Administration and Finance	**3,832.5**	(2.4)	3,926.2
2.	Business Services	**19,197.0**	(9.8)	21,282.7
3.	Mineral Resources	**8,252.8**	(7.8)	8,947.1
4.	Community and Economic Development	**1,488.4**	(0.7)	1,498.4
5.	Manitoba Research, Innovation and Technology	**14,592.7**	(2.9)	15,023.4
6.	Amortization of Capital Assets	**450.6**	(15.6)	534.2
TOTAL FOR INDUSTRY, TRADE & MINES		**47,814.0**	(6.6)	**51,212.0**

Reconciliation Statement

$ (000's)

Printed Estimates of Expenditure 2001/2002	$50,745.8
Transfer of functions from:	
- Conservation	515.5
- Intergovernmental Affairs	36.1
Transfer of functions to:	
- Labour	(59.4)
- Conservation	(26.0)
Estimates of Expenditure 2001 2002 (Adjusted)	$51,212.0

2002/03 Main Estimates of Expenditure
Percentage Distribution by Operating Division


Manitoba Research, Innovation and Technology 31%
Amortization of Capital Assets 1%
Administration and Finance 8%
Community and Economic Development 3%
Mineral Resources 17%
Business Services 40%

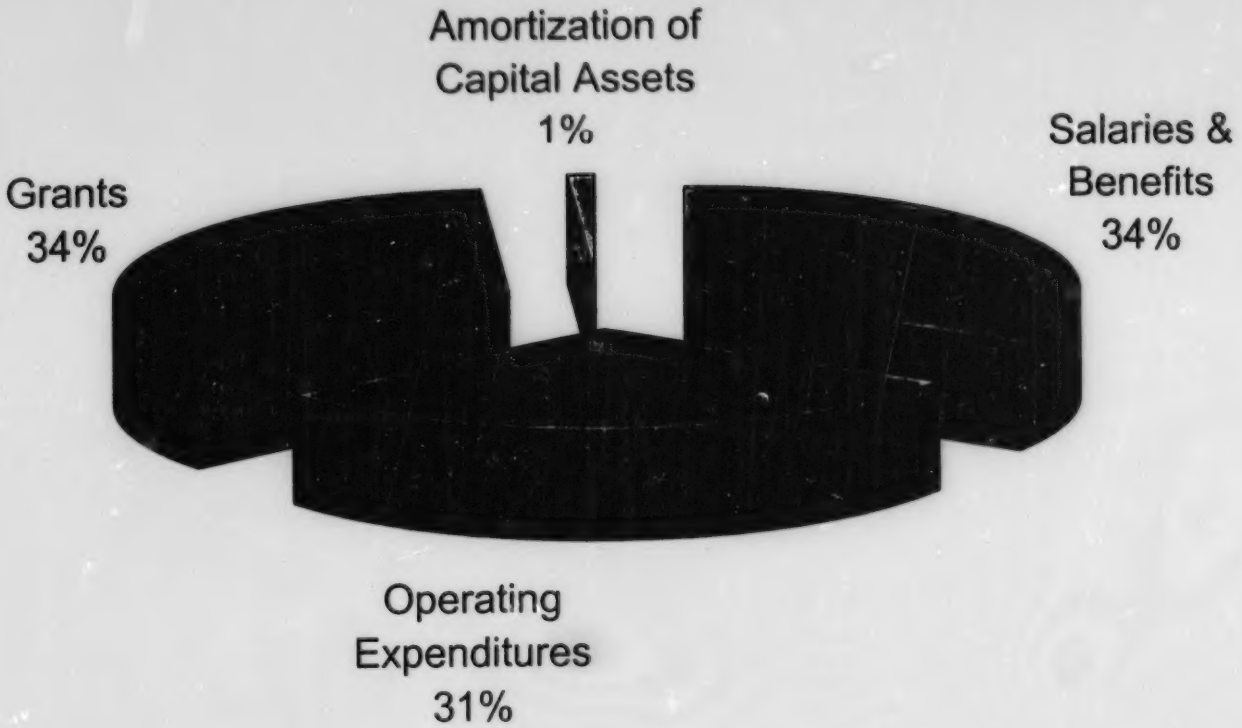
SCHEDULE 4

SCHEDULE 5

DEPARTMENT OF INDUSTRY, TRADE & MINES
EXPENDITURE SUMMARY
BY SALARIES & EMPLOYEE BENEFITS,
OPERATING, GRANTS AND AMORTIZATION OF CAPITAL ASSETS

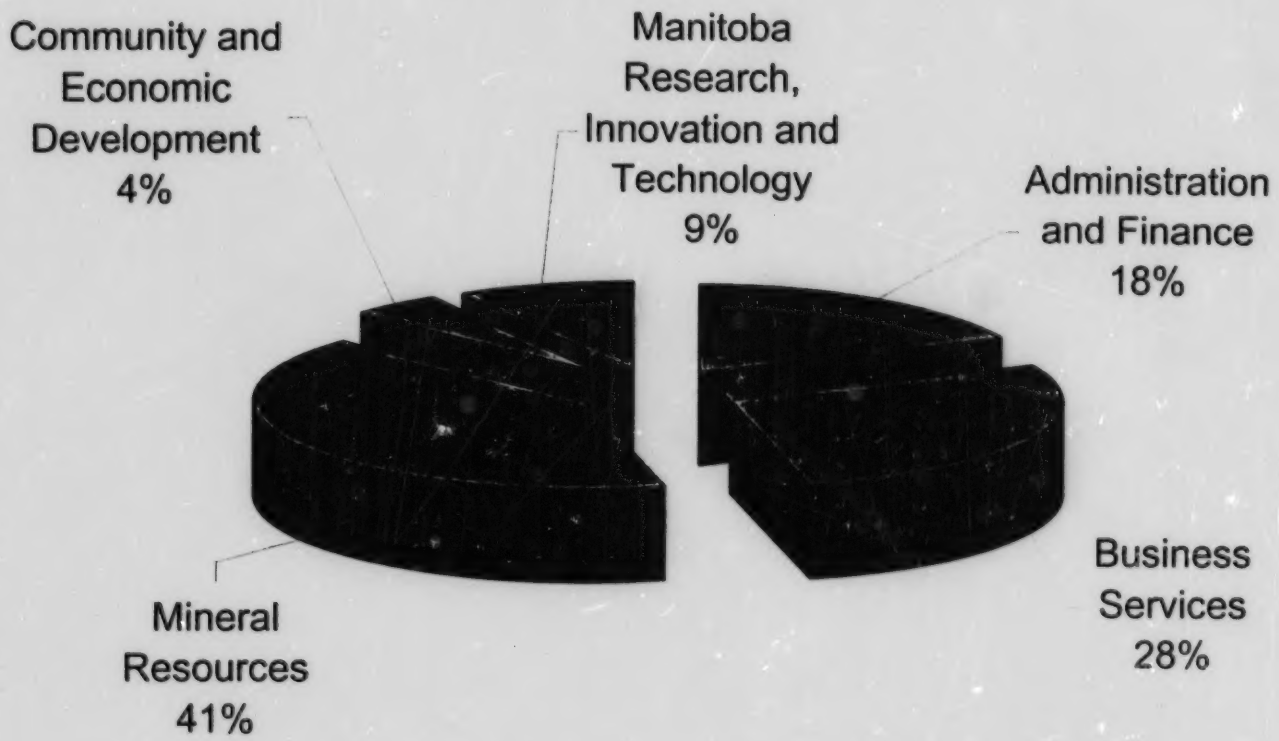
	ESTIMATES OF EXPENDITURE 2002/2003 $(000's)	ESTIMATES OF EXPENDITURE 2001/2002 (adjusted) $(000's)
SALARIES & EMPLOYEE BENEFITS (details on Schedule 8)	**16,201.4**	16,468.1
OTHER EXPENDITURES	**15,196.5**	17,533.3
GRANT ASSISTANCE		
Health Research Infrastructure Initiative	**3,000.0**	3,000.0
Industrial Technology Centre	**750.0**	750.0
Manitoba Business Development Fund	**1,266.1**	1,516.1
Manitoba Call Centre Grants	**36.0**	45.0
Manitoba Centres of Excellence	**410.0**	410.0
Manitoba Horse Racing Commission	**104.0**	164.5
Manitoba Innovation Fund	**7,000.0**	7,000.0
Manitoba Marketing Network Inc.	**30.0**	30.0
Mineral Exploration Assistance Program	**2,500.0**	2,750.0
Prospectors Assistance Program	**125.0**	125.0
Research and Innovation Fund	**1,100.0**	1,250.0
Trade Incentive Grants	**95.0**	170.0
TOTAL	**47,814.0**	51,212.0

2002/03 Percentage Distribution of Expenditures By Salaries & Employee Benefits, Operating, Grants & Amortization of Capital Assets



SCHEDULE 6

2002/03 Staff Year Summary
Percentage Distribution of Full Time Equivalents by Operating Division


Community and Economic Development 4%
Manitoba Research, Innovation and Technology 9%
Administration and Finance 18%
Business Services 28%
Mineral Resources 41%

SCHEDULE 7

SCHEDULE 8

DEPARTMENT OF INDUSTRY, TRADE AND MINES
FULL-TIME EQUIVALENT SUMMARY
BY APPROPRIATION

RES. NO.	APP. NO.	DIVISION BRANCH	ESTIMATES OF EXPENDITURE 2002/2003 $(000's) FTE	SALARIES	ESTIMATES OF EXPENDITURE 2001/2002 (adjusted) $(000's) FTE	SALARIES
10-1	10-1	**ADMINISTRATION AND FINANCE**				
	10-1A	Minister's Salary	1.00	28.4	1.00	28.1
	10-1B	Executive Support	8.00	420.8	8.00	407.3
	10-1C	Financial & Administrative Services	19.00	1,119.5	19.00	1,059.9
	10-1D	Policy, Planning and Coordination	6.00	397.2	6.00	396.2
	10-1E	Manitoba Office in Ottawa	2.00	120.1	2.00	119.4
	10-1F	Manitoba Bureau of Statistics	14.00	788.3	14.00	758.8
		TOTAL	50.00	2,874.3	50.00	2,769.7
10-2	10-2	**BUSINESS SERVICES**				
	10-2A	Industry Development - Financial Services	12.00	790.8	12.00	777.5
	10-2B	Manitoba Trade and Investment Marketing	34.00	2,265.1	34.00	2,249.3
	10-2C	Small Business and Co-operative Development	21.50	1,253.1	21.50	1,214.2
	10-2D	Manitoba Energy Development Initiative	11.00	756.6	11.00	755.1
		TOTAL	78.50	5,065.6	78.50	4,996.1
10-3	10-3	**MINERAL RESOURCES**				
	10-3A	Manitoba Geological Survey	65.10	3,536.6	67.10	3,577.7
	10-3B	Mines	28.00	1,200.2	30.00	1,434.9
	10-3C	Petroleum	21.00	1,026.7	21.00	1,032.4
	10-3D	Boards and Commissions	0.00	22.7	0.00	22.7
		TOTAL	114.10	5,786.2	118.10	6,067.7
10-4	10-4	**COMMUNITY AND ECONOMIC DEVELOPMENT**				
	10-4A	Community and Economic Development Committee Secretariat	10.00	772.0	10.00	738.7
	10-4B	Premier's Economic Advisory Council	2.00	136.8	2.00	108.9
		TOTAL	12.00	908.8	12.00	847.6
10-5	10-5	**MANITOBA RESEARCH, INNOVATION & TECHNOLOGY**				
	10-5A	Manitoba Research, Innovation & Technology	24.00	1,566.5	27.00	1,787.0
		TOTAL	24.00	1,566.5	27.00	1,787.0
10		**TOTAL FOR INDUSTRY, TRADE AND MINES**	278.60	16,201.4	285.60	16,468.1

All salary figures, with the exception of the Minister's, include employee benefits as defined in the glossary.

SCHEDULE 9

DEPARTMENT OF INDUSTRY, TRADE AND MINES
FULL-TIME EQUIVALENT SUMMARY 2002-2003
BY STAFF CATEGORY

DIVISION	STAFF CATEGORIES							
	MANAGERIAL		PROFESSIONAL/ TECHNICAL		ADMINISTRATIVE SUPPORT		TOTAL	
	FTE	$000S	FTE	$000S	FTE	$000S	FTE	$000S
Administration & Finance	6.00	453.1	28.00	1,660.5	16.00	596.1	50.00	2,709.7
Business Services	6.00	486.6	56.00	3,648.2	16.50	654.2	78.50	4,789.0
Mineral Resources	5.00	399.4	78.10	3,939.3	31.00	1,113.1	114.10	5,451.8
Community and Economic Development	1.00	108.2	8.00	635.2	3.00	113.6	12.00	857.0
Manitoba Research, Innovation & Technology	1.00	95.9	17.00	1,159.6	6.00	228.2	24.00	1,483.7
TOTAL	19.00	1,543.2	187.10	11,042.8	72.50	2,705.2	278.60	15,291.2

Explanation 1. Reconciliation of Salary Amounts

Total Salary Costs per above	15,291.2
Add: Employee Benefits	1,598.1
Less: Staff Turnover	(687.9)
Net Salary Costs per Schedule 8	**$ 16,201.4**

PART 2

PROGRAM AND FINANCIAL INFORMATION

Res. No.	Approp. No.	Industry, Trade & Mines (10) Details of Appropriation	Estimates of Expenditure 2002/2003 $(000's)	Estimates of Expenditure 2001/2002 (adjusted) $(000's)
10.1	1.	**ADMINISTRATION AND FINANCE**	3,832.5	3,926.2
		Provides for the department executive management, department planning and policy direction.		
		Provides central financial, administrative, human resource and computer support services to the department.		
		Provides policy support in trade and economic development to the department and across government.		
		Co-ordinates and supports departmental strategic and business planning and knowledge management initiatives.		
		Provides on-going strategic federal-provincial information and assists Manitobans in dealing with federal authorities.		
		Co-ordinates the economic and labour force statistical system to adapt to the changing policy and program requirements of the Manitoba government and Crown agencies.		
		Supervises and regulates horse racing and the operation of race tracks in Manitoba.		
		a) Minister's Salary	28.4	28.1
		b) Executive Support	503.8	492.3
		c) Financial and Administrative Services	1,546.5	1,515.6
		d) Policy, Planning and Coordination	545.7	559.2
		e) Manitoba Office in Ottawa	202.8	235.8
		f) Manitoba Bureau of Statistics	901.3	930.7
		g) Grant Assistance - Manitoba Horse Racing Commission	104.0	164.5
			3,832.5	3,926.2

SUB-APPROPRIATIONS 10 - 1A AND 10 - 1B

MINISTER'S SALARY AND EXECUTIVE SUPPORT

OBJECTIVES:

To oversee the development and implementation of departmental policies and programs that are designed to achieve the goals set out in the Department's role and mission statement.

To carry out the policy decisions of the government and manage the activities of the department.

ACTIVITY IDENTIFICATION:

Activities are targeted to effectively position the Department to aid Manitobans to prosper in the global, information-based economy. These activities include:

- Advising the Minister on issues relating to economic development in Manitoba.
- Advising the Minister on mineral and mining issues.
- Leading and coordinating the decision-making process in the formulation, interpretation, implementation and monitoring of government policies and programs.
- Ensuring that government policies are appropriately formulated, interpreted, implemented and monitored.
- Providing overall policy direction for departmental programs.
- Providing administrative assistance to the Minister's office.

EXPECTED RESULTS:

Effective operation of the Department of Industry, Trade and Mines as reflected in the results of each branch within the department.

Effective and efficient administrative support to the offices of the Minister and Deputy Minister.

SUB-APPROPRIATION 10 - 1A

MINISTER'S SALARY

	Estimates of Expenditure 2002/2003		Estimates of Expenditure 2001/2002 (adjusted)	
SALARIES	**FTE**	**$(000's)**	FTE	$(000's)
Managerial	**1.00**	**28.4**	1.00	28.1
Total Salaries	**1.00**	**28.4**	1.00	28.1[1]

1. Net increase of $0.3 was allocated for Minister's salaries to provide for the annual cost of living included in the Decisions of the Indemnities and Allowances Commission.

SUB-APPROPRIATION 10 - 1B

EXECUTIVE SUPPORT

	Estimates of Expenditure 2002/2003		Estimates of Expenditure 2001/2002 (adjusted)	
SALARIES & EMPLOYEE BENEFITS	**FTE**	**$(000's)**	FTE	$(000's)
Managerial	**1.00**	**111.5**	1.00	116.1
Professional/Technical	**2.00**	**101.4**	2.00	90.2
Administrative Support	**5.00**	**181.7**	5.00	172.1
Employee Benefits		**43.3**		37.8
	8.00	**437.9**	8.00	416.2
Less: Allowance for Staff Turnover		**(17.1)**		(8.9)
Total Salaries and Employee Benefits	**8.00**	**420.8**	8.00	407.3[1]
OTHER EXPENDITURES				
Transportation		**20.0**		20.0
Communications		**8.0**		8.0
Supplies and Services		**23.0**		25.0
Other Operating		**32.0**		32.0
Total Other Expenditures		**83.0**		85.0[2]
TOTAL SUB-APPROPRIATION	**8.00**	**503.8**	8.00	492.3

1. Net increase is a result of normal salary adjustments $7.7 and general salary increases of 14.0, offset by ($8.2) staff turnover adjustment.
2. Discretionary operating reduction.

SUB-APPROPRIATION 10 - 1C

FINANCIAL AND ADMINISTRATIVE SERVICES

OBJECTIVES:

- To provide high quality, timely and customer responsive administrative, financial management, computer and personnel services to the department and its related agencies.
- To develop and administer appropriate administrative and financial standards, policies and procedures.
- To develop and operate appropriate reporting systems to provide timely and accurate decision-making information to senior management in the Department and in central agencies.
- To provide leadership, program direction and operational coordination to support department activities.

ACTIVITY IDENTIFICATION:

The Branch will continue to provide financial management, administrative, computer and personnel services to the department and its related Agencies. This on-going work includes the processing of revenue and expenditure transactions, monitoring and control of expenditures, preparation of cash flow projections and the provision of analysis and advice as required; administration of loan programs and other agreements; coordination of requests for office accommodation, office equipment and services; the provision of timely and accurate information to senior decision-makers in the department and in central agencies; the development and application of appropriate administrative and financial standards, policies and procedures; the preparation of the annual estimates package, the estimates supplement and the annual report; the provision of computer application software solutions to a variety of business problems; evaluation and acquisition of computer equipment; the provision of personnel services, including recruitment and selection; job evaluation, human resource planning, performance management, payroll, benefits and records; coordination of affirmative action, French language services, training and development and workplace, safety and health; and the departmental administration of the Freedom of Information Act and Protection of Privacy Act.

EXPECTED RESULTS:

Departmental policies and systems will be implemented and programs delivered efficiently and effectively. Administrative support services are responsive to departmental and client needs and are within government policy. Timely preparation of management reports on matters relating to financial, personnel, computer systems and operational support services. Timely and efficient representation of the department in responding to central agencies, and effective responses to all applications under the Freedom of Information and Protection of Privacy Act.

SUB-APPROPRIATION 10 - 1C

FINANCIAL AND ADMINISTRATIVE SERVICES

	Estimates of Expenditure 2002/2003		Estimates of Expenditure 2001/2002 (adjusted)	
SALARIES & EMPLOYEE BENEFITS	**FTE**	**$(000's)**	FTE	$(000's)
Managerial	**1.00**	**79.4**	1.00	77.3
Professional/Technical	**10.00**	**668.2**	10.00	596.6
Administrative Support	**8.00**	**307.3**	8.00	298.5
Employee Benefits		**110.3**		108.4
	19.00	**1,165.2**	19.00	1,080.8
Less: Allowance for Staff Turnover		**(45.7)**		(20.9)
Total Salaries and Employee Benefits	**19.00**	**1,119.5**	19.00	1,059.9[1]
OTHER EXPENDITURES				
Transportation		**25.0**		30.0
Communications		**36.0**		42.7
Supplies and Services		**118.5**		130.5
Other Operating		**137.5**		142.5
Total Other Expenditures		**317.0**		345.7[2]
COMPUTER SERVICES		**110.0**		110.0
TOTAL SUB-APPROPRIATION	**19.00**	**1,546.5**	19.00	1,515.6

1. Net increase the result of a $20.9 general salary increase and normal salary adjustments of $65.3, offset by staff turnover adjustments of ($24.8) and ($1.8) in overtime.
2. Net decrease due to a reduction of ($1.6) in ACRS (lease space), ($0.7) in advertising, ($28.3) in discretionary operating reduction, offset by $1.9 increase in Desktop Management adjustment.

SUB-APPROPRIATION 10 - 1D

POLICY, PLANNING AND COORDINATION

OBJECTIVES:

The Policy, Planning and Coordination Branch supports the overall mandate of the Department by providing analytical, advisory and research support services to the Department and related agencies in the areas of trade policy, economic development policy, critical economic development issues and departmental planning. These services ensure that the department and the government are better positioned to respond to the challenges and opportunities associated with a rapidly changing global economy. The Branch works collaboratively with diverse economic development agencies to ensure the most effective use of resources in achieving shared economic goals.

ACTIVITIES:

The Branch supports the Department's efforts to help Manitoba businesses in increasing and diversifying their sales through exporting to existing and new markets -- both domestic and international -- by working with the Minister and executive management to manage Manitoba's participation under existing international trade agreements such as the NAFTA and the World Trade Organization and to manage Manitoba's participation in the 1994 Agreement on Internal Trade. The Branch acts as lead agent in governmental and intergovernmental matters related to trade policy and standards.

The Branch provides support to the Department on critical success factors for economic development and infrastructure issues such as demographic trends, innovation and skills and training needs. The Branch ensures that the Department is well-positioned to address the challenges and opportunities associated with the new economy by preparing and coordinating briefing materials, providing planning and evaluation assistance, and general policy advice.

The Branch supports departmental informational projects by monitoring Manitoba's trade and economic performance, corporate activities and other significant economic developments and coordinating efforts to distribute information on departmental initiatives to interested stakeholders

EXPECTED RESULTS

Expected results in the areas of trade policy, economic development policy and research and interagency liaison include the conclusion of agreements, the development of mutually supportive strategies and programs, the development of Manitoba negotiating positions and supporting briefing materials. Policy, planning and coordination activities serve departmental planning requirements, by assisting other branches with individual project planning and coordination; program evaluation and providing timely advice and information to decision-makers.

SUB-APPROPRIATION 10 - 1D

POLICY, PLANNING AND COORDINATION

	Estimates of Expenditure 2002/2003		Estimates of Expenditure 2001/2002 (adjusted)	
SALARIES & EMPLOYEE BENEFITS	**FTE**	**$(000's)**	FTE	$(000's)
Managerial	**1.00**	**79.2**	1.00	77.2
Professional/Technical	**4.00**	**261.7**	4.00	256.0
Administrative Support	**1.00**	**34.4**	1.00	32.9
Employee Benefits		**37.9**		42.7
	6.00	**413.2**	6.00	408.8
Less: Allowance for Staff Turnover		**(16.0)**		(12.6)
Total Salaries and Employee Benefits	**6.00**	**397.2**	6.00	396.2[1]
OTHER EXPENDITURES				
Transportation		**28.9**		31.6
Communications		**7.7**		8.2
Supplies and Services		**47.0**		52.8
Other Operating		**64.3**		69.8
Minor Capital		**0.6**		0.6
Total Other Expenditures		**148.5**		163.0[2]
TOTAL SUB-APPROPRIATION	**6.00**	**545.7**	6.00	559.2

1. Net increase due to $6.3 general salary increase, offset by ($3.4) staff turnover adjustment and ($1.9) in normal salary adjustments.
2. Net decrease due to ACRS (lease space) adjustment of ($0.8), discretionary operating reduction of ($13.2), and Desktop Management of ($0.5).

SUB-APPROPRIATION 10 - 1E

MANITOBA OFFICE IN OTTAWA

OBJECTIVES:

To provide ongoing strategic federal-provincial information and advice; to represent Manitoba's interests at both the bureaucratic and political levels; and to secure a fair share of federal contracts, in a coordinated and cost effective manner. In general terms, the Ottawa Office assists the Manitoba government, its agencies, Manitoba firms, communities, organizations, and individuals in dealing with the federal authorities and in developing business.

ACTIVITY IDENTIFICATION:

Monitors federal policies and public administration and provides on-going policy analysis and up-to-date information on federal government and related agencies activity and planned major purchases which impact upon Manitoba. Provides information and liaison to Manitoba Executive Council, line government departments, crown corporations, industry associations based in Manitoba, as well as selected companies potentially affected by federal government policies and actions. Specific activities include:

- Key federal legislation, budgets/estimates, and other actions are followed and progress is reported to appropriate responsibility centres.
- Strategic intelligence, consultations and advice is supplied on a regular basis to clients.
- Visiting Manitoba delegations are supported, including First Ministers meetings, individual ministers, departmental staff, trade groups, and individuals. Visiting business firms are provided with facilities and logistical support for consultations and presentations, as well as advice and guidance pertinent to their business plan.
- Procurement opportunities are identified, forwarded to appropriate officials/business clients, and the office tries to ensure fair access to federal contracts and programs. In addition, industrial development leads are identified and communicated to appropriate departmental responsibility centres for follow-up.
- Attend and report on Ottawa meetings when appropriate on behalf of departments, thus saving travel costs and time.
- Scan eastern-based newspapers and forward pertinent articles to clients.
- Federal officials are constantly reminded of Manitoba's interests and priorities.
- Tourism information is made available to local inquiries.

EXPECTED RESULTS:

Specific issues outlining current and potential federal activities which affect the Province are monitored reflect increased relevance to Manitoba.

Individual reports are provided to client departments, industry and others for specific requested assistance and as issues surface in Ottawa.

Logistical support is provided as required.

SUB-APPROPRIATION 10 - 1E

MANITOBA OFFICE IN OTTAWA

	Estimates of Expenditure 2002/2003		Estimates of Expenditure 2001/2002 (adjusted)	
SALARIES & EMPLOYEE BENEFITS	**FTE**	**$(000's)**	FTE	$(000's)
Managerial	**1.00**	**75.4**	1.00	73.4
Administrative Support	**1.00**	**38.3**	1.00	38.1
Employee Benefits		**11.2**		10.9
	2.00	**124.9**	2.00	122.4
Less: Allowance for Staff Turnover		**(4.8)**		(3.0)
Total Salaries and Employee Benefits	**2.00**	**120.1**	2.00	119.4[1]
OTHER EXPENDITURES				
Transportation		**7.5**		9.5
Communications		**7.0**		9.0
Supplies and Services		**54.5**		80.8
Other Operating		**13.7**		17.1
Total Other Expenditures		**82.7**		116.4[2]
TOTAL SUB-APPROPRIATION	**2.00**	**202.8**	2.00	235.8

1. Net decrease due to staff turnover adjustments ($2.4) offset by normal salary adjustments of $1.4 and general salary increases of $1.7.
2. Net decrease due to ACRS (lease space) adjustments of ($26.3) and discretionary operating reduction of ($7.4)

SUB-APPROPRIATION 10 - 1F

MANITOBA BUREAU OF STATISTICS

OBJECTIVES:

Manitoba Bureau of Statistics' (MBS) primary role is to serve the informational requirements of the Manitoba Government, its departments, and crown agencies. Specific objectives are:

(1) To actively participate in and coordinate the development of the Manitoba statistical system (data needs, collection, dissemination, presentation and analysis).
(2) To adapt the Manitoba statistical system to the changing policy and program requirements of the Manitoba Government, its departments and crown agencies.

As a cross-departmental service agency, MBS has the following characteristics:

☐ Impartiality ☐ Selected Specialization ☐ Surveys ☐ Coordination ☐ Legislative Mandate

ACTIVITY IDENTIFICATION:

The mandate of MBS is the provision of comprehensive information services to the Manitoba government, its agencies and the business community. This mandate is carried out through four major areas of activity:

- Responding to requests for MBS developed information and liaison/coordination with Statistics Canada, provincial user departments/crown agencies, and with other provincial and territorial statistical agencies.
- Provision of common statistical information in order to avoid duplication of effort and costs in the areas of data collection, analysis and information dissemination; provision of relevant statistical information to the senior and executive levels of government.
- Undertaking data/information development, survey consulting/design, statistical consulting, economic and tax revenue impact assessments, modeling, information processing and evaluating the adequacy of surveys.
- Administration of the Bureau of Statistics and The Statistics Act (Chapter S205).

EXPECTED RESULTS:

The complete range of provided services are detailed in the ***"Catalogue of Information Products and Services 2002-2003 ".*** Major products/services include:

- Monitoring the overall economic performance of the Manitoba economy and its principal industries.
- Maintaining a series of provincial and regional level population projections.
- Developing new analytical products/services to identify current/future trends within Manitoba.
- Providing Key Economic Indicator statistical information products on day of release.
- Designing and implementing contract surveys and information development projects.
- Producing and disseminating a series of current Manitoba reports/publications which monitor/analyze social and economic developments/trends in Manitoba.
- Coordinating and representing the Manitoba government's responses to Statistics Canada on statistical matters that affect the Province of Manitoba including the determination of the

population of Manitoba that is used in federal/provincial fiscal arrangements.

- Developing desktop accessible electronic information systems to meet the specific needs of various client groups.
- Maintaining a Manitoba Policy Impact Simulation Model to assist decision-makers to identify the economic and tax revenue implications of possible policy decisions.
- Participating in the national climate change process as provincial co-chair of the Analysis and Modelling Group (AMG), the federal provincial group charged with the responsibility for determining the economic impact on the Canadian economy of implementing the Kyoto Protocol.

SUB-APPROPRIATION 10 - 1F

MANITOBA BUREAU OF STATISTICS

	Estimates of Expenditure 2002/2003		Estimates of Expenditure 2001/2002 (adjusted)	
SALARIES & EMPLOYEE BENEFITS	**FTE**	**$(000's)**	FTE	$(000's)
Managerial	1.00	79.2	1.00	77.2
Professional/Technical	12.00	629.2	12.00	592.3
Administrative Support	1.00	34.4	1.00	33.5
Employee Benefits		77.7		70.3
	14.00	820.5	14.00	773.3
Less: Allowance for Staff Turnover		(32.2)		(14.5)
Total Salaries and Employee Benefits	14.00	788.3	14.00	758.8[1]
OTHER EXPENDITURES				
Transportation		6.1		7.5
Communications		13.2		62.5
Supplies and Services		87.5		93.7
Other Operating		66.2		68.2
Total Other Expenditures		173.0		231.9[2]
TOTAL SUB-APPROPRIATION (Gross)		961.3		990.7
Less: Recoverable from Other Appropriations		(60.0)		(60.0)
TOTAL SUB-APPROPRIATION (Net)	14.00	901.3	14.00	930.7

1. Net increase the result of general salary increases of $13.7 and normal salary adjustment of $33.5, offset by staff turnover adjustments of ($17.7).
2. Net decrease a result of an ACRS (lease space) adjustment of ($2.2), advertising reduction of ($1.3), discretionary operating reduction of ($15.4) and a reduction in fees related to the Population Consultation (Census) Project of ($40.0).

SUB-APPROPRIATION 10 - 1G

GRANT ASSISTANCE - MANITOBA HORSE RACING COMMISSION

OBJECTIVES:

To supervise, regulate and control the conduct of horse races and the operation of race tracks and to support the development of a competitive horse racing industry in Manitoba.

ACTIVITY IDENTIFICATION:

Supervision, regulation and control of horse racing teletheatre facilities and simulcast wagering in Manitoba.

Administration of the Pari-Mutuel Levy Fund which was established by the Pari-Mutuel Levy Act.

EXPECTED RESULTS:

Maintenance of a successful racing industry in Manitoba.

SUB-APPROPRIATION 10 - 1G

GRANT ASSISTANCE - MANITOBA HORSE RACING COMMISSION

	Estimates of Expenditure 2002/2003		Estimates of Expenditure 2001/2002 (adjusted)	
OTHER EXPENDITURES	**FTE**	**$(000's)**	FTE	$(000's)
Grant/Transfer Payments		**97.0**		157.5
Supplies and Services		**7.0**		7.0
		104.0		164.5[1]
Total Other Expenditures		**104.0**		164.5
TOTAL SUB-APPROPRIATION		**104.0**		164.5

1. General operating reduction.

Res. No.	Approp. No.	Industry, Trade & Mines (10) Details of Appropriation	**Estimates of Expenditure 2002/2003 $(000's)**	Estimates of Expenditure 2001/2002 (adjusted) $(000's)
10.2	2.	**BUSINESS SERVICES**	**19,197.0**	21,282.7
		Provides or facilitates businesses' access to capital to spur the establishment and expansion of enterprises and provides assistance and support for mineral exploration and development projects to improve the economic and environmental status of Manitoba.		
		Provides business with assistance to identify and take advantage of opportunities in export markets, and promotes Manitoba investment opportunities abroad to increase exports, inward investment and employment. Develops marketing strategies and promotes investment and other economic development related to the mining industry in Manitoba.		
		Co-ordinates and delivers a range of services for the enhancement and growth of Manitoba's entrepreneurial and small business community and provides support to groups and communities seeking to incorporate as cooperative enterprises.		
		Develops and implements grovernment-wide economic development strategies encompassing our hydro-electric resources and alternative energy development opportunities including developing energy policies and monitoring the implementation of Climate Change Initiatives		
		a) Industry Development - Financial Services	**12,254.7**	14,120.2
		b) Manitoba Trade and Investment Marketing	**3,754.1**	3,905.3
		c) Small Business and Co-operative Development	**1,958.0**	1,965.7
		d) Manitoba Energy Development Initiative	**1,230.2**	1,291.5
			19,197.0	21,282.7

SUB-APPROPRIATION 10 - 2A

INDUSTRY DEVELOPMENT - FINANCIAL SERVICES

OBJECTIVES:

The objective of the Financial Services Branch is to assist Manitoba-based businesses to grow and prosper. It pursues this mandate by assisting businesses in accessing risk capital financing. The Branch also provides professional financial administration services to those other government units that support local industry.

ACTIVITY IDENTIFICATION:

Developing the local capital markets – 1) Partnering with the private / public sectors to form pools of risk capital. The risk capital pools are privately managed and profit-seeking and include both labour-sponsored investment funds and limited partnerships. 2) Partnering with the private sector to host entrepreneurial expositions. 3) Supporting legislative, regulatory and policy changes and incentive programs to encourage risk capital investment.

Providing direct financial support – Providing loans and cost-shared assistance to augment the private sector financing of worthwhile Manitoba-based business opportunities. The loans are used to assist large and potentially large employers to locate, expand or remain in Manitoba. The cost-shared assistance is used to assist businesses and industry associations with the development of new technologies, the assessment of new markets and planning for expansion.

Providing professional services support – Providing due diligence, loan management, financial advisory, strategic planning and accounting services to the Manitoba Development Corporation, Manitoba Trading Corporation, Community and Economic Development Committee of Cabinet and other government departments.

- **Program Delivery**

- *Manitoba Industrial Opportunities Program (MIOP)* – provides highly flexible financial support to encourage the expansion of existing Manitoba industry or to encourage companies to relocate in, or to Manitoba.
- *Manitoba Business Development Fund (MDBF)* – This fund, via its component programs, supports economic development activities by Manitoba business. The fund provides financial assistance for cost-shared/full-cost strategic or feasibility studies for equipment selection, marketing, viability, and industry and design studies conducted by independent consultants. The fund also provides financial assistance to Manitoba businesses to enhance their technology capabilities; encourage import replacement; and commercialize products, which incorporate new ideas and technology.
- *Third Party Managed Capital Funds* – assists the private sector in delivering risk capital to businesses. This is done by co-investing with the private sector, providing incentives to individual investors and hosting investment forums.

- Mineral Industry Support Programs are delivered under Manitoba Geological Survey (10 – 3A).

EXPECTED RESULTS:

Work with other branches to:

- Establish one to two additional pools of private / public risk capital.
- Continuously review and update the capital markets legislation in Manitoba to ensure it meets current market needs.
- Place up to eight new loans.
- Place up to 40 new cost-shared financings.
- Deliver an entrepreneurial exposition for small growth companies.
- Manage and collect as due on the outstanding loan portfolio.

SUB-APPROPRIATION 10 – 2A

INDUSTRY DEVELOPMENT - FINANCIAL SERVICES

	Estimates of Expenditure 2002/2003		Estimates of Expenditure 2001/2002 (adjusted)	
SALARIES & EMPLOYEE BENEFITS	FTE	$(000's)	FTE	$(000's)
Managerial	1.00	83.5	1.00	81.2
Professional/Technical	9.00	592.3	9.00	573.9
Administrative Support	2.00	69.1	2.00	67.3
Employee Benefits		77.9		72.0
	12.00	822.8	12.00	794.4
Less: Allowance for Staff Turnover		(32.0)		(16.9)
Total Salaries and Employee Benefits	12.00	790.8	12.00	777.5[1]
OTHER EXPENDITURES				
Transportation		10.6		10.6
Communications		8.3		8.3
Supplies and Services		298.4		231.9
Other Operating		45.1		43.2
Total Other Expenditures		362.4		294.0[2]
PROGRAM DELIVERY				
Manitoba Industrial Opportunities Program		10,511.0		6,581.0[3]
Vision Capital		1,372.4		1,810.2[4]
Manitoba Business Development Fund		1,313.1		1,563.1[5]
Third Party Support Programs		2,520.1		1,743.9[6]
TOTAL PROGRAM DELIVERY (Gross)		15,716.6		11,698.2
Less: Interest Recovery		(7,668.6)		(2,058.7)[7]
TOTAL PROGRAM DELIVERY (Net)		8,048.0		9,639.5
MINERAL INDUSTRY SUPPORT PROGRAMS				
Mineral Exploration Assistance Program		2,500.0		2,750.0[8]
Manitoba Potash Project		196.5		248.3[9]
Acid Rain Abatement Program- Flin Flon		232.0		285.9[10]
Prospectors Assistance Program		125.0		125.0
TOTAL PROGRAM DELIVERY		3,053.5		3,409.2
TOTAL SUB-APPROPRIATION	12.00	12,254.7	12.00	14,120.2

1. Net increase a result of $12.9 in general salary increases and $15.5 in normal salary adjustments, offset by ($15.1) in staff turnover adjustments.
2. Net increase a result of Desktop Management adjustments of $1.9, an increase in professional services of $100.0, offset by a discretionary operating reduction of ($32.3) and a ($1.2) adjustment in ACRS (lease space).
3. Net increase a result of interest budget of $3,928.8, recoveries in PSAR#3050 of $233.0, increase in loan loss allowance of $423.1, offset by decrease of ($654.9) related to the Call Centre Initiative.
4. Net decrease of in the interest budget of ($437.8).
5. Net decrease in grant funding of ($250.0).
6. Net increase due to increases of $255.0 for the Western Life sciences Fund (formerly Keystone Fund), $100. 0 for the Pension Fund Initiative, $100.0 for the Labour Sponsored Investments Fund Initiative, $387.5 for the Trilogy Fund, and $400.0 for a New Initiative, offset by decreases of ($73.8) for the Manitoba Science and Technology Fund, ($42.5) for the Renaissance fund and a general operating decrease of ($350.0).
7. Increase in interest recovery related to increase interest budget in the Manitoba Industrial Opportunities Program.
8. Net decrease reflects a decrease in grant funding for the Program.
9. Net decrease reflects a decrease in interest costs required to maintain the Province's equity in the Manitoba Potash Corporation.
10. Net decrease reflects the interest adjustment associated with Hudson Bay Mining and Smelting (HBM&S) loan.

SUB-APPROPRIATION 10 – 2B

MANITOBA TRADE AND INVESTMENT MARKETING

OBJECTIVES:

Manitoba Trade and Investment Marketing (MTIM) provides economic development services aimed at:

- supporting the economic growth of the manufacturing, processing and services sectors.
- assisting industry to increase exports, with a targeted focus on small to medium-sized businesses.
- increasing inward investment.
- providing consistent and competitive marketing materials.
- ensuring business retention and expansion.

ACTIVITY IDENTIFICATION:

Industry Consulting

Industry consultants provide sector expertise to businesses (manufacturing, processing, and services sectors) in the areas of marketing, technology, business development and management. Existing infrastructure advantages are used to maximize economic development opportunities and encourage commercialization and adoption of new technologies and strategic alliances to further strengthen and diversify Manitoba's industrial capabilities.

International Trade Development

The International Trade Development branch includes a variety of activities and services intended primarily to assist Manitoba's small to medium-sized enterprises to increase their export capability and activity. These activities and services, which support the Department's overall objective of assisting in the creation of new exporting companies and supporting the market diversification efforts of export active companies, include:

- Counselling and diagnostic analysis.
- Information dissemination on new and existing markets.
- New exporter training and export financing advice.
- Group missions and group shows (outgoing and incoming).

Companies are also assisted through the Trade Assistance Program (TAP) which provides support to Manitoba companies to access new export markets through participation inrecognized trade shows.

Business Investment

The Business Investment branch encompasses three major areas of activity: general promotion, business or company recruitment, and entrepreneur recruitment (through the Provincial Nominee Program for Business). These activities are designed to attract businesses and business people to Manitoba through greenfield investments, joint ventures, strategic alliances, plant expansions, and business succession.

Marketing

Marketing provides department-wide marketing support and development of promotional products (multimedia marketing materials such as display units, brochures, website promotion, CD-ROMs, etc.).

The Market Intelligence & Information Services Program provides information products on export markets for local Manitoba companies and on Manitoba capabilities for potential clients in overseas markets. The Program involves data collection, analysis and dissemination. Key developments over the past years include implementation of a client-tracking database for IT&M development of website applications and coordination of Manitoba Company data collection surveys with federal and provincial delivery partners.

SUB-APPROPRIATION 10 – 2B

MANITOBA TRADE AND INVESTMENT MARKETING

EXPECTED RESULTS:

Services and activities are aimed at increasing the number of actively exporting firms; diversification of export markets served by Manitoba firms; increasing foreign direct investment in Manitoba, and increasing entrepreneurial immigration to Manitoba, resulting in continued employment growth.

	Estimates of Expenditure 2002/2003		Estimates of Expenditure 2001/2002 (adjusted)	
SALARIES & EMPLOYEE BENEFITS	**FTE**	**$(000's)**	FTE	$(000's)
Managerial	**3.00**	**240.8**	3.00	248.1
Professional/Technical	**26.00**	**1,691.5**	26.00	1,641.6
Administrative Support	**5.00**	**214.7**	5.00	199.7
Employee Benefits		**224.5**		207.9
	34.00	**2,371.5**	34.00	2,297.3
Less: Allowance for Staff Turnover		**(106.4)**		(48.0)
Total Salaries and Employee Benefits	**34.00**	**2,265.1**	34.00	2,249.3[1]
OTHER EXPENDITURES				
Grants/Transfer Payments		**95.0**		170.0
Transportation		**288.0**		348.0
Communications		**310.0**		341.3
Supplies and Services		**1,223.0**		1,169.5
Other Operating		**573.0**		621.9
Minor Capital		**0.0**		5.3
Total Other Expenditures		**2,489.0**		2,656.0[2]
TOTAL SUB-APPROPRIATION (Gross)		**4,754.1**		4,905.3
Less: Recoverable from Rural and Urban Economic Development Initiatives		**(1,000.0)**		(1,000.0)
TOTAL SUB-APPROPRIATION (Net)	**34.00**	**3,754.1**	34.00	3,905.3

1. Net increase primarily the result of general salary increases of $47.9 and normal salary adjustments of $26.3, offset by staff turnover adjustments of ($58.4).
2. Net decrease due to ($3.9) Desktop Management adjustment, ($1.3) advertising reduction, a discretionary operating reduction of ($160.3), and a reduction in grant funding of ($75.0), offset by increases in ACRS (lease space) of $16.5 and a contract position of $57.0.

SUB-APPROPRIATION 10 – 2C

SMALL BUSINESS AND CO-OPERATIVE DEVELOPMENT

OBJECTIVES:

The objective of the Small Business and Co-operative Development Branch is to provide the necessary tools for successful business development. By working with the private sector and other government departments, the Branch develops, coordinates and delivers a range of services, business publications and programs in order to promote business investment in Manitoba and for the enhancement and growth of Manitoba's entrepreneurial and small business community for increased competitiveness in the global market place. On April 1, 1998, the Branch and the Canada Business Service Centre integrated and co-located their respective provincial and federal resources into a jointly operated centre referred to as the Canada/Manitoba Business Service Centre. The Branch, through the co-located Canada/Manitoba Business Service Centre provides a first point of contact for timely and accurate business information, extensive business library services, e-business services and resources, improves management effectiveness through counseling, education and training and assists in small business start ups and business expansions through financial initiatives. Services are also outreached via 20 Canada/Manitoba Business Service Centre satellite offices throughout Manitoba.

Through its Cooperative Development Services, the Branch promotes and assists in the development of cooperative enterprise, in all fields of endeavour, to fulfill a broad range of economic and social needs of Manitoba's communities.

ACTIVITY IDENTIFICATION:

SMALL BUSINESS DEVELOPMENT

Information for Industry:

"Single-Window Access" to the Entrepreneurial and Business community. The co-located Canada/Manitoba Business Service Centre provides comprehensive business information, business and trade library services, hard copy and Internet based blended information publications, criteria and contacts on all government programs and services, and counselling to Manitoba's small business community. The Canada/Manitoba Business Service Centre also offers a full service website offering business development information, 4,000 links and an Interactive Business Plan.

E-Business Service Centre. An E-Business Service Centre has been established within the Canada/Manitoba Business Service Centre which provides the information that small and medium-sized enterprises need to enable them to be aware and adopt e-commerce and e-business technologies.

Mobile Business Service Centre. Through the Canada/Manitoba Business Service Centre and in partnership with Manitoba Intergovernmental Affairs, delivers "single window access" to government programs, services, workshops and seminars to rural Manitobans.

Entrepreneurial Development/Training. Develops and delivers a wide range of workshops for entrepreneurs to improve entrepreneurial and management skills. Also facilitates a range of courses and seminars for entrepreneurs and owner/managers to improve business skills as well as networking with target groups including women, Aboriginals, ethnic groups, youth, people with disabilities, etc. who may require specialized or focused training.

Manitoba Marketing Network. Provides access to marketing expertise in partnership with the private sector to small business and entrepreneurial clients.

Business Counselling Services. Provides assistance in business planning through workshops and one-on-one business counselling services. This includes business counselling to target groups including women, Aboriginals and youth.

Access to Capital:
Business Start Program. Provides loan guarantees of up to a maximum of $10,000 for new business starts with the focus on working capital needs.

Infrastructure Development:
Interdepartmental Linkages. Coordinates programs such as Rural Forum, Craft Industry and multicultural initiatives with the Departments of Intergovernmental Affairs, Education, Training and Youth, Agriculture and Food, Culture, Heritage and Tourism and Aboriginal and Northern Affairs. Participates with Western Economic Diversification in the development of programs involving Entrepreneurs with Disabilities and with Manitoba Education, Training and Youth in respect to the Young Entrepreneurs Program. Also participates with several provincial and federal departments in providing a wide range of bilingual government services at the St.Boniface Bilingual Government Service Centre.

COOPERATIVE DEVELOPMENT

Information for Industry:
Information Services. Provides information on various corporate structures and specific organizational assistance to incorporate a cooperative.
Training Services. Provides training to directors, management, members and staff of new and existing cooperatives.
Community Development Services. Provides assistance to communities to help create employment opportunities through activities such as commercial fisheries, tourism, value-added, etc., with special emphasis on Aboriginal communities.

Access to Capital:
Administrative Services. Provides administrative support to the Cooperative Loans and Loans Guarantee Board and the Cooperative Promotion Board.

EXPECTED RESULTS:

SMALL BUSINESS DEVELOPMENT

The Canada/Manitoba Business Service Centre (C/MBSC) will provide comprehensive business and trade related information, e-business information and services, business library and market research services and hard copy and internet based blended information publications to the business and general community, including over 33,000 small business owners/operators in Manitoba. The C/MBSC will respond to approximately 60,000 business and trade related enquiries. Information services will be provided to approximately 40,000 clients per year through business databases and information publications. These databases and publications are developed and distributed through the Canada/Manitoba Business Service Centre and partners such as business development centres, financial institutions, Intergovernmental Affairs offices, regional development corporations and the Mobile Business Service Centre. It is expected that there will be approximately 200,000 requests for information from the C/MBSC website.

- Promotion of entrepreneurial development through education and training supports.
- Increased access to funding for 50 business-start clients.

- Improve the quality and quantity of small businesses in Manitoba, targeting service and production.
- Entrepreneurial training will be coordinated and delivered to over 3,500 registrants including comprehensive programs for home-based businesses, women, Aboriginal people, immigrants and other target groups.
- Business counselling services will be provided to approximately 7,000 clients including assistance to over 150 through the Manitoba Marketing Network.
- Support training through an organizational role on Small Business Week Committee, Manitoba Rural Forum and various business and trade shows throughout Manitoba.

CO-OPERATIVE DEVELOPMENT

- Provision of value-added initiatives, community infrastructure development and new generation cooperatives for rural and urban Manitobans.
- Assistance for Manitoba's 380 cooperative enterprises through organizational and business counselling and loan guarantees.
- Assistance to approximately 20 groups and communities to incorporate new cooperatives.
- Provision of management and training services to more than 100 cooperatives and business enterprises.
- The Branch will respond to approximately 2,000 cooperative and business related enquiries.

SUB-APPROPRIATION 10 – 2C

SMALL BUSINESS AND COOPERATIVE DEVELOPMENT

	Estimates of Expenditure 2002/2003		Estimates of Expenditure 2001/2002 (adjusted)	
SALARIES & EMPLOYEE BENEFITS	**FTE**	**$(000's)**	FTE	$(000's)
Managerial	**1.00**	**79.2**	1.00	77.2
Professional/Technical	**12.00**	**766.6**	12.00	744.2
Administrative Support	**8.50**	**336.7**	8.50	306.4
Employee Benefits		**122.2**		112.6
	21.50	**1,304.7**	21.50	1,240.4
Less: Allowance for Staff Turnover		**(51.6)**		(26.2)
Total Salaries and Employee Benefits	**21.50**	**1,253.1**	21.50	1,214.2[1]
OTHER EXPENDITURES				
Grants/Transfer Payments		**30.0**		30.0
Transportation		**47.1**		47.1
Communications		**129.2**		140.9
Supplies and Services		**212.0**		200.1
Other Operating		**254.6**		301.4
Minor Capital		**32.0**		32.0
Total Other Expenditures		**704.9**		751.5[2]
TOTAL SUB-APPROPRIATION	**21.50**	**1,958.0**	21.50	1,965.7

1. Net increase the result of general salary increases of $22.4 and normal salary adjustments of $41.9 offset by ($25.4) in staff turnover adjustments.
2. Net decrease due to a ($10.8) reduction in Desktop Management adjustment, ($0.7) advertising reduction and a discretionary operation reduction of ($60.2), offset by a $25.1 increase in ACRS (lease space).

SUB-APPROPRIATION 10 – 2D

MANITOBA ENERGY DEVELOPMENT INITIATIVE

OBJECTIVES:

To develop and implement government-wide economic development strategies encompassing Manitoba hydro-electric resources and alternative energy development opportunities including developing energy policies and monitoring the implementation of Climate Change Initiatives.

ACTIVITY IDENTIFICATION:

Energy Economic Development
The Energy Economic Development Branch is responsible for promoting existing energy sources and helping to develop emerging renewable energy sources for sustainable and environmentally responsible economic growth in Manitoba. The Branch partners closely with Manitoba Hydro in carrying out its responsibilities. Specific activities include:

- Attracting new industrial investment using reliable, low cost power as the primary incentive.
- Seeking international profile for Manitoba using Manitoba's energy advantage as the attribute that differentiates the Province from other jurisdictions.
- Developing/enhancing industrial energy related retention/expansion programs in support of Manitoba companies.
- Developing and implementing renewable/alternative energy (eg. hydrogen, ethanol, etc.) economic development strategies.
- Providing support to regional economic development agencies.
- Providing government input as required into Manitoba Hydro energy export strategies.
- Acting as main government liaison with Manitoba Hydro on energy economic development.

Energy Policy Branch
The Energy Policy Branch is responsible for developing broad government energy policies that will establish a framework for sustainable energy economic development and programs that contribute to the reduction of greenhouse gases. Specific Activities include:

- Coordinating energy policy working groups in the development of broad provincial energy policy and small renewables policy.
- Representing government on all federal/provincial energy initiatives.
- Assessing and implementing energy related provincial Climate Change initiatives.
- Facilitating regular reporting to Executive Council on provincial Climate Change initiatives.
- Providing government input into new Manitoba Hydro infrastructure (generation and transmission)
- Promoting energy efficiency programs in conjunction with Manitoba Hydro.
- Acting as main government liaison with Manitoba Hydro on energy policy.

SUB-APPROPRIATION 10 – 2D

MANITOBA ENERGY DEVELOPMENT INITIATIVE

	Estimates of Expenditure 2002/2003		Estimates of Expenditure 2001/2002 (adjusted)	
SALARIES & EMPLOYEE BENEFITS	**FTE**	**$(000's)**	FTE	$(000's)
Managerial	**1.00**	**83.1**	1.00	80.9
Professional/Technical	**9.00**	**597.8**	9.00	578.1
Administrative Support	**1.00**	**33.7**	1.00	33.5
Employee Benefits		**74.5**		71.0
		789.1		763.5
Less: Allowance for Staff Turnover	**11.00**	**(32.5)**	11.00	(8.4)
Total Salaries and Employee Benefits	**11.00**	**756.6**	11.00	755.1[1]
OTHER EXPENDITURES				
Transportation		**26.3**		31.3
Communications		**83.3**		89.0
Supplies and Services		**277.5**		314.8
Other Operating		**66.5**		81.3
Minor Capital		**20.0**		20.0
Total Other Expenditures		**473.6**		536.4[2]
TOTAL SUB-APPROPRIATION	**11.00**	**1,230.2**	11.00	1,291.5

1. Net increase the result of $19.7 in general salary increases and $5.9 in normal salary adjustments, offset by ($24.1) in staff turnover adjustments.
2. Net decrease due to a ($2.3) reduction in ACRS (lease space) adjustment, ($25.0) reduction for various projects, ($0.7) advertising reduction, and a discretionary operating reduction of ($35.0) offset by an increase in Desktop Management of $0.2.

Res. No.	Approp. No.	Industry, Trade & Mines (10) Details of Appropriation	**Estimates of Expenditure 2002/2003** $(000's)	Estimates of Expenditure 2001/2002 (adjusted) $(000's)
10.3	3.	MINERAL RESOURCES	**8,252.8**	8,947.1
		Provides authoritative documentation of the province's mineral endowment and development potential.		
		Provides for the administration of Legislation governing the disposition of mineral rights, the exploration, development, and production of the province's mineral resources, and the rehabilitation of mines and quarries.		
		Provides for the administration of Legislation governing the exploration, development and production of petroleum resources, and the rehabilitation of abandoned petroleum sites.		
		Provides for the resolution of disputes between surface rights holders and mineral rights holders with respect to accessing minerals including oil and gas.		
		a) Manitoba Geological Survey	**5,273.6**	5,450.9
		b) Mines	**1,612.4**	2,103.6
		c) Petroleum	**1,326.1**	1,348.5
		d) Boards and Commissions	**40.7**	44.1
			8,252.8	8,947.1

SUB-APPROPRIATION 10 – 3A

MANITOBA GEOLOGICAL SURVEY

OBJECTIVES:

To facilitate the development and management of Manitoba's mineral resource by: 1) providing authoritative documentation of the province's geology and mineral potential, and 2) creating a positive and competitive business climate.

ACTIVITY IDENTIFICATION:

The Manitoba Geological Survey conducts a wide range of activities related to the development and management of Manitoba's mineral resources, including:

- Geological investigations in Manitoba's Precambrian Shield, Western Canada Sedimentary Basin, and Hudson Bay Basin. Investigations include examination of exposed bedrock, subsurface materials, and surficial sediments including sand, gravel and organic deposits. This program provides data and products such as geological maps and reports, metallic and industrial mineral deposit reports and databases, mineral resource assessments, targeted geoscience research, development of exploration models, and maintenance of data inventories. By developing an understanding of Manitoba's geology and geological processes, the Manitoba Geological Survey promotes mineral exploration opportunities and contributes to wise land-use management.
- Provision of information services, (including library services, educational outreach and publication sales) to a broad range of clients and the general public.
- Administration and management of industry incentive programs, business development initiatives and minerals policy development.

The primary clients of the program are mineral exploration and mining companies, prospectors, consultants, engineering companies, investment houses, insurance companies, quarry operators, Manitoba Hydro and municipalities.

The Manitoba Geological Survey:

- Annually conducts systematic geological, geophysical and geochemical field investigations to document and assess the province's mineral resource potential.
- Expands the scope of mineral exploration in Manitoba by: generating new geological models and concepts to attract, encourage and focus exploration for new types of mineral deposits; fostering business development; and administering exploration incentive programs.
- Supports effective mineral management, environmental decision making, and land-use planning by providing authoritative technical information on the province's surficial deposits, bedrock geology, and mineral potential.
- Recommends and monitors complementary federal government program contributions.
- Has placed emphasis in recent years on: 1) encouraging increased levels of exploration in the relatively under explored east-central sector of the province; 2) conducting collaborative, exploration-supportive programs in the Thompson Nickel Belt and Lynn Lake-Leaf Rapids regions, 3) developing fully digital geoscience databases, 4) encouraging new and more diverse industrial mineral developments in southern Manitoba, 5) interrogating the geologic record for past Red River floods, to help determine the risk of future major flood events, and 6) developing a strategy for internet data distribution.

Manitoba Geological Survey is also responsible for the delivery of the department's Mineral Industry Support Programs. The financial information is reported under the Industry Development – Financial Services program 10-2A-4.

- **Industry Support Program Delivery**

- *Mineral Exploration Assistance Program (MEAP)* - provides financial assistance to eligible companies or individuals who undertake mineral exploration in Manitoba. The program is designed to increase exploration and stimulate activities that could lead to the development of new mines and specialty mineral deposits.
- *Manitoba Potash Project* – Potamine Potash Mining of Canada Inc. and the Province of Manitoba are partners in the Manitoba Potash Corporation and hold the development rights to known reserves in the Russell-Binscarth area of southwest Manitoba.
- *Acid Rain Abatement Program* – Flin Flon – provides financial assistance to Hudson Bay Mining and Smelting Co., Limited for the construction of environmental improvements to the metallurgical plant at Flin Flon.
- *Manitoba Prospectors Assistance Program (MPAP)* – provides grants to prospectors exploring on either their own Manitoba properties or open Crown mineral land. This program is targeted at increasing mineral exploration in Manitoba to help replenish declining ore resources.

EXPECTED RESULTS:

The expected results of geoscience programs are:

- Increased knowledge of Manitoba's bedrock and surficial geology; client groups require up-to-date geological information for better investment decision making, exploration planning, and policy development.
- Increased knowledge of Manitoba's mineral endowment; specialized surveys foster and promote exploration activity in frontier areas and identification of new mineral occurrences increases mineral deposit knowledge base and stimulates new exploration.
- Effective land use management, achieved by providing mineral resource assessments for areas considered for protected status under the Protected Areas Initiative.
- Increased understanding of past major flood events in the Red River Valley, by participation in a federal/provincial initiative, assisting better flood forecasting.
- Increased availability of digital geoscience products, meeting clients' needs for digital information.

The expected results of business development and mineral incentive programs are:

- Increased levels of mineral exploration and development of new mines and industrial mineral deposits.
- Increased mineral exploration in remote areas and in the vicinity of mining communities that have undergone, or are at risk of, mine closure.
- New mineral exploration and development companies will be attracted to Manitoba.

SUB-APPROPRIATION 10 – 3A

MANITOBA GEOLOGICAL SURVEY

	Estimates of Expenditure 2002/2003		Estimates of Expenditure 2001/2002 (adjusted)	
SALARIES & EMPLOYEE BENEFITS	**FTE**	**$(000's)**	FTE	$(000's)
Managerial	**3.00**	**245.3**	3.00	222.5
Professional/Technical	**48.10**	**2,570.7**	50.10	2,578.3
Administrative Support	**14.00**	**529.2**	14.00	507.5
Employee Benefits		**334.8**		330.3
	65.10	**3,680.0**	67.10	3,638.6
Less: Allowance for Staff Turnover		**(143.4)**		(60.9)
Total Salaries and Employee Benefits	**65.10**	**3,536.6**	67.10	3,577.7[1]
OTHER EXPENDITURES				
Transportation		**252.0**		327.0
Communication		**151.5**		158.5
Supplies and Services		**872.0**		896.0
Other Operating		**421.5**		446.9
Minor Capital		**40.0**		44.8
Total Other Expenditures		**1,737.0**		1,873.2[2]
TOTAL SUB-APPROPRIATION	**65.10**	**5,273.6**	67.10	5,450.9

1. Net decrease the result of ($82.5) in staff turnover adjustments and ($103.8) due to the elimination of two positions, offset by general salary increases of $70.4, normal salary adjustments of $74.8.
2. Net decrease due to an advertising reduction of ($2.0), and a ($154.8) discretionary operating reduction, offset by an increase of $4.6 in a Desktop Management adjustment and a $16.0 increase in ACRS (lease space) adjustment.

SUB-APPROPRIATION 10 – 3B

MINES

OBJECTIVES:

To administer Legislation governing the disposition of mineral rights, the exploration, development, and production of the province's mineral resources, and the rehabilitation of mines and quarries which will provide a stable and predictable land tenure system, and protects the environment, property and correlated rights.

ACTIVITY IDENTIFICATION:

Mines Branch activities include recommendation for policy and regulatory review, inspections, dispute resolution, and rehabilitation of land disturbed by mining activity. Participation in a wide range of interdepartmental legislative and policy review committees as related to the minerals sector. The primary clients of this Program are mineral exploration and mining companies, individual prospectors, quarry operators and land owners.

The Branch administers The Mines and Minerals Act and regulations, including: The Drilling Regulation; the Mineral Disposition and Mineral Lease Regulation, the Quarry Minerals Regulation, the Mine Closure Regulation and the Prospectors Assistance Program Regulation. Administration of these regulations gives rise to a number of activities that include:

- Issuing mineral dispositions and leases under The Mines and Minerals Act and Regulations and maintaining a registry system of all mineral dispositions and leases issued.
- Collecting fees, rentals, royalties, taxes and rehabilitation levies due to the Crown.
- Reviewing assessment reports and maintaining and issuing assessment data as appropriate.
- Conducting effective claim inspections and the inspection of pits and quarries to ensure that they meet requirements of The Mines and Minerals Act [Environment/Safety]
- Providing land use and tenure information to the mining industry so they can effectively plan exploration programs.
- Resolving land use conflicts to minimize sterilization of mineral resources.
- Assessing all land use and policy proposals to ensure land access to mineral resources.
- Monitoring the mining operations in the Province and directing the rehabilitation of lands used for mining purposes, subsequent to closure of the mining operations.
- Rehabilitating depleted aggregate pits and quarries on private and Crown lands by administering applications and disbursements and by directing and supervising operation of private equipment hired under contract to carry out the work.
- Interacting with other government departments and Crown agencies to ensure that policy decisions do not unduly hinder mineral exploration and development.

EXPECTED RESULTS:

The following are expected results of the Branch's activities:

- Legislation, regulations and policies that meet Government objectives and provide a competitive environment to attract and maintain mineral exploration and development.
- Timely and accurate information available to Government, industry and the public on regulatory requirements, mineral dispositions, exploration activity and assessment information.

SUB-APPROPRIATION 10 – 3B

MINES

	Estimates of Expenditure 2002/2003		Estimates of Expenditure 2001/2002 (adjusted)	
SALARIES & EMPLOYEE BENEFITS	**FTE**	**$(000's)**	FTE	$(000's)
Managerial	**1.00**	**70.9**	1.00	78.4
Professional/Technical	**17.00**	**716.5**	17.00	813.7
Administrative Support	**10.00**	**328.9**	12.00	435.3
Employee Benefits		**144.4**		132.9
	28.00	**1,260.7**	30.00	1,460.3
Less: Allowance for Staff Turnover		**(60.5)**		(25.4)
Total Salaries and Employee Benefits	**28.00**	**1,200.2**	30.00	1,434.9[1]
OTHER EXPENDITURES				
Transportation		**67.0**		125.0
Communications		**37.3**		53.8
Supplies and Services		**169.3**		315.6
Other Operating		**135.6**		167.3
Minor Capital		**3.0**		7.0
Total Other Expenditures		**412.2**		668.7[2]
TOTAL SUB-APPROPRIATION (Gross)	**28.00**	**1,612.4**	30.00	2,103.6

1. Net decrease due to ($33.1) in staff turnover adjustments, ($203.5) increased recovery from the Quarry Rehabilitation Reserve and ($85.0) due to the elimination of positions, offset by $42.9 in general salary increases, and $44.0 in normal salary adjustments.
2. Net decrease due to a reduction of ($9.3) in ACRS (lease space) adjustment, ($37.3) discretionary operating reduction, ($100.0) reduced funding for the Mineral Advisory Committee, ($91.5) recovery from the Quarry Rehabilitation Reserve, ($20.0) general reduction, offset by an increase of $1.6 in Desktop Management.

SUB-APPROPRIATION 10 – 3C

PETROLEUM

OBJECTIVES:

To provide for and encourage the safe and efficient development of Manitoba's oil and gas resources in accordance with the principles of sustainable development.

ACTIVITY IDENTIFICATION:

- Plans, recommends, implements, administers, monitors and evaluates oil and gas resource policies and programs.

- Administers The Oil and Gas Act, The Oil and Gas Production Tax Act and provisions under The Workplace Safety and Health Act.

    - Administration of Crown oil and gas rights
    - Collection of Crown royalties and freehold production taxes
    - Licencing of oil wells and oil and gas facilities
    - Enforcement of regulations designed to ensure worker safety, environmental protection and fair distribution of the proceeds of oil production

- Collects, records and disseminates well data; conducts technical studies and provides consultation to the petroleum industry and the general public.

- Conducts promotional activities highlighting investment opportunities offered by Manitoba's oil and gas resources

EXPECTED RESULTS:

- Legislation, regulations and policies that meet Government objectives and provide a competitive environment to attract and maintain reasonable levels of petroleum exploration and development.
- Timely and accurate information available to Government, industry and the public on regulatory requirements, Crown oil and gas rights, industry activity and technical well data.
- Timely collection and accurate auditing of oil and gas revenues and effective administration of drilling incentive programs.
- Studies, projects, reports and informational materials designed to assist and encourage investment in Manitoba's oil and gas resources.

SUB-APPROPRIATION 10 – 3C

PETROLEUM

	Estimates of Expenditure 2002/2003		Estimates of Expenditure 2001/2002 (adjusted)	
SALARIES & EMPLOYEE BENEFITS	FTE	$(000's)	FTE	$(000's)
Managerial	1.00	83.2	1.00	81.1
Professional/Technical	13.00	629.4	13.00	618.8
Administrative Support	7.00	255.0	7.00	249.6
Employee Benefits		100.3		100.3
	21.00	1,067.9	21.00	1,049.8
Less: Allowance for Staff Turnover		(41.2)		(17.4)
Total Salaries and Employee Benefits	21.00	1,026.7	21.00	1,032.4[1]
OTHER EXPENDITURES				
Transportation		45.6		47.4
Communications		33.7		36.8
Supplies and Services		120.0		123.3
Other Operating		94.1		102.6
Minor Capital		6.0		6.0
Total Other Expenditures		299.4		316.1[2]
TOTAL SUB-APPROPRIATION (Gross)	21.00	1,326.1	21.00	1,348.5

1. Net decrease due to ($23.8) in staff turnover adjustments, offset by $12.7 in general salary increases, and $5.4 in normal salary adjustments.
2. Net decrease due to a ($0.7) advertising reduction, ($26.8) discretionary operating reduction, offset by an increase of $9.7 in ACRS (lease space) adjustment and $1.1 in Desktop Management adjustment.

SUB-APPROPRIATION 10 – 3D

BOARDS AND COMMISSIONS

OBJECTIVES:

To provide for the resolution of disputes between surface rights holders, mineral rights, and oil and gas rights holders with respect to accessing minerals and oil and gas.

ACTIVITY IDENTIFICATION:

- The Surface Rights Board provides for the resolution of disputes between surface rights holders and oil and gas rights holders with respect to accessing oil and gas. They deal with issues relating to right of entry and compensation to owners of surface rights in respect of drilling for oil and gas and geophysical exploration.
- The Mining Board provides for the resolution of disputes between surface rights holders and minerals rights holders with respect to accessing minerals (Mining Board). The Mining Board can also hear and resolve disputes between holders of mineral dispositions and between holders and officers of the Department.

SUB-APPROPRIATION 10 – 3D

BOARDS AND COMMISSIONS

	Estimates of Expenditure 2002/2003		Estimates of Expenditure 2001/2002 (adjusted)	
SALARIES & EMPLOYEE BENEFITS	**FTE**	**$(000's)**	FTE	$(000's)
Managerial Professional/Technical Administrative Support Employee Benefits	**0.00**	**22.7**	0.0	22.7
Less: Allowance for Staff Turnover				
Total Salaries and Employee Benefits	**0.0**	**22.7**	0.0	22.7
OTHER EXPENDITURES				
Transportation Supplies and Services Other Operating		**18.0**		21.4
Total Other Expenditures		**18.0**		21.4[1]
TOTAL SUB-APPROPRIATION		**40.7**		44.1

1. Discretionary operating reduction of ($3.4).

Res. No.	Approp. No.	Industry, Trade & Mines (10) Details of Appropriation	Estimates of Expenditure 2002/2003 $(000's)	Estimates of Expenditure 2001/2002 (adjusted) $(000's)
10.4	4.	**COMMUNITY AND ECONOMIC DEVELOPMENT**	1,488.4	1,498.4
		Provides analytical expertise and administrative support to the Community and Economic Development Committee of Cabinet, which coordinates all major government initiatives relating to community and economic development in the province.		
		Provides advice and support in the ongoing development of Manitoba's economic strategy including identifying priorities, soliciting community input and assisting in formulating policy and recommendations.		
		a) Community and Economic Development Committee Secretariat	1,118.0	1,135.9
		b) Premier's Economic Advisory Council	370.4	362.5
			1,488.4	1,498.4

SUB-APPROPRIATION 10 - 4A

COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE SECRETARIAT

OBJECTIVES:

The Community and Economic Development Committee of Cabinet (CEDC) supported by a small Secretariat, serves as the key co-ordination body for the Government's community and economic initiatives. CEDC is responsible for the ongoing development, articulation, and updating of a community and economic development strategy for the province, and for providing a focused decision-making process for high priority economic development projects, many of which require input from multiple Departments. CEDC is focused on ensuring increased community and economic development takes place in Manitoba in a manner that ensures that all citizens of the Province share the rewards of increased prosperity

ACTIVITY IDENTIFICATION:

The Secretariat provides co-ordination, community and economic development expertise and analytical support to Cabinet, the Committee, Departments and other Boards and Agencies.

The Secretariat works in close co-operation with Treasury Board, Departments and Crown Agencies, to provide assistance with respect to community and economic projects and policies.

Activities of the Secretariat encompass a broad range of policy areas, including rural and agricultural issues, northern development, industry, aboriginal and ethno-cultural issues, cultural policy, information technology and research, training and retraining, environmental and urban issues, and poverty and social justice issues.

Secretariat staff assist departments in policy development, and facilitate co-ordination and integration of policy across government. Staff also develop proposals for Committee review, lead specific project teams as required, and participate in a variety of other project teams, task forces and working groups.

The Secretariat works in close co-operation with business, community, aboriginal,labour and social organizations on policy development and with the Premier's Economic Advisory Council.

EXPECTED RESULTS:

Provision of effective policy advice and services to the Community and Economic Development Committee of Cabinet.

Timely and thorough analysis of information and submissions for Committee members.

Co-ordination of community and economic development initiatives across a broad cross-section of Departments and agencies.

SUB-APPROPRIATION 10 - 4A

COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE SECRETARIAT

	Estimates of Expenditure 2002/2003		Estimates of Expenditure 2001/2002 (adjusted)	
SALARIES & EMPLOYEE BENEFITS	**FTE**	**$(000's)**	FTE	$(000's)
Managerial	1.00	108.2	1.00	107.7
Professional/Technical	7.00	545.4	7.00	503.6
Administrative Support	2.00	74.6	2.00	68.5
Employee Benefits		75.2		71.5
	10.00	803.4	10.00	751.3
Less: Allowance for Staff Turnover		(31.4)		(12.6)
Total Salaries and Employee Benefits	10.00	772.0	10.00	738.7 [1]
OTHER EXPENDITURES				
Transportation		33.0		36.0
Communications		57.5		63.8
Supplies and Services		110.5		125.0
Other Operating		130.0		152.8
Minor Capital		15.0		19.6
Total Other Expenditures		346.0		397.2 [2]
TOTAL SUB-APPROPRIATION	10.00	1,118.0	10.00	1,135.9

1. Net increase due to $36.3 general salary increases and $15.8 in normal salary adjustments, offset by ($18.8) in staff turnover adjustments.
2. Net decrease due to ($1.3) ACRS (lease space) adjustment, ($45.0) decrease to general operating budget and a ($30.9) discretionary operating reduction offset by an increase of $26.0 in Desktop Management adjustment.

SUB-APPROPRIATION 10 – 4B

PREMIER'S ECONOMIC ADVISORY COUNCIL

OBJECTIVES:

The Premier's Economic Advisory Council is a broad-based organization which provides advice to the Premier on development of the government's economic strategy, identifies priorities for the Manitoba economy, solicits input from the broader community and assists in formulating policy recommendations and providing recommendations for action.

ACTIVITY IDENTIFICATION:

Two staff – a Co-ordinator and an Administrative Officer support the day-to-day activities of the Council.

Council staff will work in close co-operation with Departments, agencies and the Community and Economic Development Committee of Cabinet Secretariat.

The Secretariat works in close co-operation with business, community, Aboriginal,labour and social organizations on policy development.

EXPECTED RESULTS:

The Council and its staff undertake a variety of initiatives to fulfil its mandate.

The Council is focused on ensuring that the perspectives of business,labour, educators, community organizations, and Aboriginal peoples are reflected in the government's overall economic development strategies.

PREMIER'S ECONOMIC ADVISORY COUNCIL 10 – 4B

	Estimates of Expenditure 2002/2003		Estimates of Expenditure 2001/2002 (adjusted)	
SALARIES & EMPLOYEE BENEFITS	**FTE**	**$(000's)**	FTE	$(000's)
Managerial				
Professional/Technical	**1.00**	**89.8**	1.00	56.0
Administrative Support	**1.00**	**39.0**	1.00	40.8
Employee Benefits		**13.5**		12.1
	2.00	**142.3**	2.00	108.9
Less: Allowance for Staff Turnover		**(5.5)**		0.0
Total Salaries and Employee Benefits	**2.00**	**136.8**	2.00	108.9[1]
OTHER EXPENDITURES				
Transportation		**15.0**		15.0
Communications		**48.6**		48.6
Supplies and Services		**120.0**		140.0
Other Operating		**50.0**		50.0
Total Other Expenditures		**233.6**		253.6[2]
TOTAL SUB-APPROPRIATION	**2.00**	**370.4**	2.00	362.5

1. Net increase the result of $2.0 in general salary increases and $31.4 in normal salary adjustments, offset by ($5.5) in staff turnover adjustments.
2. Discretionary operating reduction.

Res. No.	Approp. No.	Industry, Trade & Mines (10) Details of Appropriation	Estimates of Expenditure 2002/2003 $(000's)	Estimates of Expenditure 2001/2002 (adjusted) $(000's)
10.5	5.	**MANITOBA RESEARCH, INNOVATION AND TECHNOLOGY**	14,592.7	15,023.4
		Develops, analyses and communicates policies related to innovation, research and development, technology and telecommunications. Oversees the implementation of the Health Research Initiative, Manitoba Centres of Excellence Fund, Economic Innovation and Technology Fund and the Manitoba Innovation Fund. Functions as the government's primary liaison in providing development services to industry in the areas of technology and infrastructure to support economic growth and stimulate employment. Provides a coordinating function for all research, innovation, science and technology initiatives in government.		
		Facilitates economic development in Manitoba through the provision of industrial technology services.		
		a) Manitoba Research, Innovation and Technology	13,842.7	14,273.4
		b) Industrial Technology Centre	750.0	750.0
			14,592.7	15,023.4

SUB-APPROPRIATION 10 - 5A

RESEARCH, INNOVATION AND TECHNOLOGY

OBJECTIVES:

Manitoba Research, Innovation and Technology (RIT) was established in 2001, and will provide Manitoba with a comprehensive, integrated and coordinated approach to innovation, research and technology initiatives.

The Department will provide a focus for:

- research, innovation and technology policy development and coordination;
- knowledge based industry development and growth;
- smart community development.

RIT's mission is *to promote and enhance a climate of research, innovation and technology development that spurs responsible economic development for the benefit of all Manitobans.* Its objectives are to:

- Develop public policy initiatives in support of research, innovation and technology development.
- Develop a provincial innovation infrastructure.
- Build and strengthen the research and innovation capacity within the province.
- Build community capacity for sustained economic development in the new economy.
- Build the capacity for new company formation, attraction and growth.
- Coordinate the implementation of public policy initiatives in the areas of research, information technologies, and investments.

ACTIVITY IDENTIFICATION:

The Division will rely on the skills and expertise that already exists in government and will not duplicate efforts already being undertaken in other departments and branches. To meet its objectives, the division will have responsibilities related to:

Research and innovation development
RIT will have responsibility for developing and implementing the provincial innovation and research strategies, encouraging students to understand the importance of science and technology to the future of the province through the Manitoba Network for Science and Technology (MindSet), and administering various funds that support research, innovation and technology including:

- Manitoba Innovations Fund - The mandate is to increase the capability of Manitoba's universities, colleges, hospitals, and other not-for-profit institutions to carry out important world-class scientific research and technology development.
- Research and Innovation Fund - The Fund is to be used to support institutional innovation activities and bringing technologies to the market place. Funding will be flexible depending on the type of project and the project requirements and is to be catalytic.
- Health Research Initiative – The objectives of the fund are to assist Manitoba's health research centres in attracting more health research funding to the province and to increase research and development activities in Manitoba and facilitate sustained economic growth and the creation of high quality jobs.

- The Manitoba Centres of Excellence Fund - The objectives of the Manitoba Centres of Excellence Fund (MCEF) are to attract and maintain world-class R&D activity in Manitoba and to generate related economic spin-off benefits for local companies and non-profit institutions.

Knowledge Based Business Development
RIT will be responsible for creating an active and positive environment for business and investment in Manitoba. RIT will be supporting the development of knowledge-based companies by working with companies to identify opportunities for innovation and strategic partnerships to support their growth. RIT will concentrate on the areas of life sciences, biotechnology; information and communications technologies; and emerging technologies. RIT will support the transfer and incorporation of new and enabling technologies and promote investment in research and development.

RIT will also foster the growth and success of small and medium Manitoba firms that focus on technology and research, by providing support and advice to the Manitoba branch of the Canadian Technology Network.

Smart Communities Development
RIT will be responsible for community economic development activities focussing on technology. The Broadband Office will support community-based efforts on the development of broadband networks. The Community Connections initiative will work with the community resource networks to ensure sustainability and growth of the 555 free community internet access sites.

Coordination of government initiatives
RIT's coordination function will be one of consultation rather than direct authority over programs and initiatives to ensure overall government objectives for research, innovation and technology development are addressed. This allows for programs to continue to benefit from the expertise, direction and accountability within their current departments.

EXPECTED RESULTS:

Research and innovation frameworks that: defines the key actions and principles that will guide how research, technology and innovation efforts should work; aligns provincial government decision-making for R&D activities with provincial strategic goals; aligns business development needs and activities with research capacities; and coordinates innovation activities within and between provincial government departments

Continued growth in biopharmaceutical, agricultural biotechnology, cultural new media, medical new media, environmental, advanced materials, and information and communications technology industries.

The work of MindSet will increase educator and student involvement in S&T awareness activities and increase their knowledge about science, technology and their applications.

Implementation of community based broadband networks.

Sustainability and growth of the 555 community internet access sites developed through the community connections initiative.

SUB-APPROPRIATION 10 - 5A

RESEARCH INNOVATION AND TECHNOLOGY

	Estimates of Expenditure 2002/2003		Estimates of Expenditure 2001/2002 (adjusted)	
SALARIES & EMPLOYEE BENEFITS	**FTE**	**$(000's)**	FTE	$(000's)
Managerial	1.00	95.9	2.00	176.4
Professional/Technical	17.00	1,159.6	19.00	1,252.5
Administrative Support	6.00	228.2	6.00	213.9
Employee Benefits		150.4		184.2
	24.00	1,634.1	27.00	1,827.0
Less: Allowance for Staff Turnover		(67.6)		(40.0)
Total Salaries and Employee Benefits	24.00	1,566.5	27.00	1,787.0[1]
OTHER EXPENDITURES				
Grants/Transfer Payments		40.0		51.9
Transportation		45.2		71.2
Communications		214.0		228.3
Supplies and Services		226.0		236.3
Other Operating		232.0		229.7
Minor Capital		9.0		9.0
Total Other Expenditures		766.2		826.4[2]
INDUSTRY SUPPORT PROGRAMS				
Manitoba Innovation Fund		7,000.0		7,000.0
Research and Innovation Fund - Grant		1,100.0		1,250.0[3]
Health Research Initiative		3,000.0		3,000.0
Manitoba Centres of Excellence Fund		410.0		410.0
TOTAL PROGRAM DELIVERY		11,510.0		11,660.0
TOTAL SUB-APPROPRIATION	24.00	13,842.7	27.00	14,273.4

1. Net decrease due to ($48.4) in normal salary adjustments, ($28.8) in staff turnover adjustments and ($181.7) due to the elimination of three positions, offset by $38.4 in general salary increases.
2. Net decrease due to ($6.7) Desktop Management reduction, ($1.0) ACRS (lease space) adjustment, ($3.3) advertising adjustment, ($37.3) discretionary operating reduction and ($11.9) in miscellaneous grants.
3. Decrease to grant budget

SUB-APPROPRIATION 10 – 5B

GRANT ASSISTANCE - INDUSTRIAL TECHNOLOGY CENTRE

OBJECTIVES:

The Industrial Technology Centre became a special operating agency on April 1, 1996. Refer to Section 4 for detailed information.

SUB-APPROPRIATION 10 – 5B

GRANT ASSISTANCE - INDUSTRIAL TECHNOLOGY CENTRE

	Estimates of Expenditure 2002/2003		Estimates of Expenditure 2001/2002 (adjusted)	
OTHER EXPENDITURES	**FTE**	**$(000's)**	FTE	$(000's)
Grant/Transfer Payments		750.0		750.0
Total Other Expenditures		750.0		750.0
TOTAL SUB-APPROPRIATION		750.0		750.0

Commencing with the 1996/97 fiscal year, the Industrial Technology Centre (ITC) was established as a special operating agency. The Centre formerly functioned as a part of the Economic Innovation and Technology Council. ITC will provide services to Industry, Trade and Mines under contract in 2002/03. Please refer to Part Four for ITC's detailed financial information.

Res. No.	Approp. No.	Industry, Trade & Mines (10) Details of Appropriation	**Estimates of Expenditure 2002/2003** **$(000's)**	Estimates of Expenditure 2001/2002 (adjusted) $(000's)
10.6	6.	**AMORTIZATION AND OTHER COSTS RELATED TO CAPITAL ASSETS**	**450.6**	534.2
		Provides for costs related to Capital Assets.		
		a) Desktop Services	**368.4**	447.0
		b) Amortization Expense	**82.2**	87.2
			450.6	534.2

SUB-APPROPRIATION 10 - 6A AND 10 - 6B

AMORTIZATION AND OTHER COSTS RELATED TO CAPITAL ASSETS

It is the policy of the Province of Manitoba to record in the accounts of the Province, the tangible capital assets owned and used by the Province along with appropriate amortization and other related costs. Standard asset classes have been established by the Provincial Comptroller, along with capitalization thresholds and corresponding amortization rates. Consistent with this policy, this sub-appropriation records the costs associated with the amortization of the Department's share of the total estimated costs of the Desktop Management and Better Methods initiatives allocated to the Department, in the case of Desktop, on the basis of units acquired by the Department as a percentage of total units acquired by the Province and, in the case of Better Methods, by projected departmental use. A small amount is also included for the amortization of other departmental assets.

SUB-APPROPRIATION 10 - 6A AND 10 - 6B

DESKTOP SERVICES
AMORTIZATION EXPENSE

	Estimates of Expenditure 2002/2003		Estimates of Expenditure 2001/2002 (adjusted)	
	FTE	$(000's)	FTE	$(000's)
10-6A (Desktop Services)				
Amortization Expense - Hardware and Transition		243.3		357.6
Amortization Expense - Enterprise Software		43.6		89.4
Enterprise Software Licenses		81.5		-
TOTAL SUB-APPROPRIATION (10-6A)		368.4		447.0[1]
10-6B (Amortization Expense)				
Amortization Expense		82.2		87.2
TOTAL SUB-APPROPRIATION (10-6B)		82.2		87.2[2]
TOTAL MAIN-APPROPRIATION (10-6)		450.6		534.2

1. The decrease in amortization for hardware/transition and enterprise software reflects the final half-year of amortization. The increase for Enterprise Software Licenses represents the cost of software licenses for departments that will be an annual charge over the term of the current agreement for software.
2. The decrease in amortization for assets fully amortized in 2001/02.

PART 3

HISTORICAL INFORMATION

DEPARTMENT OF INDUSTRY, TRADE AND MINES
FIVE YEAR EXPENDITURE ANE STAFFING SUMMARY BY APPROORATION ($000S)
FOR YEARS ENDING MARCH 31, 1999 - MARCH 31, 2003

	ACTUAL/*ADJUSTED ESTIMATES OF EXPENDITURE						ADJUSTED ESTIMATES OF EXPENDITURE 2001/2002		PRINTED MAIN ESTIMATES OF EXPENDITURE 2002/2003	
	1998/1999		1999/2000		2000/2001					
	FTEs	$000s	FTEs	$000s	FTEs	$000s	FTEs	$000s	FTEs	$000s
Administration and Finance	53.54	3,999.2	51.10	4,113.3	52.26	4,146.0	50.00	3,926.2	50.00	3,832.5
Business Services	94.50	34,115.8	79.24	61,086.7	82.70	19,870.8	78.50	21,282.7	78.50	19,197.0
Mineral Resources	110.53	7,702.1	107.61	13,245.0	95.34	7,863.1	118.10	8,947.1	114.10	8,252.8
Community and Economic Development	5.73	708.6	4.03	822.8	7.70	700.5	12.00	1,498.4	12.00	1,488.4
Manitoba Research, Innovation and Technology	4.44	6,333.8	16.92	15,267.2	17.78	14,239.9	27.00	15,023.4	24.00	14,592.7
Amortization of Capital Assets[1]		1.1		463.9		493.1		534.2		450.6
TOTAL	**268.74**	**52,860.6**	**258.90**	**94,998.9**	**255.78**	**47,313.4**	**285.60**	**51,212.0**	**278.60**	**47,814.0**

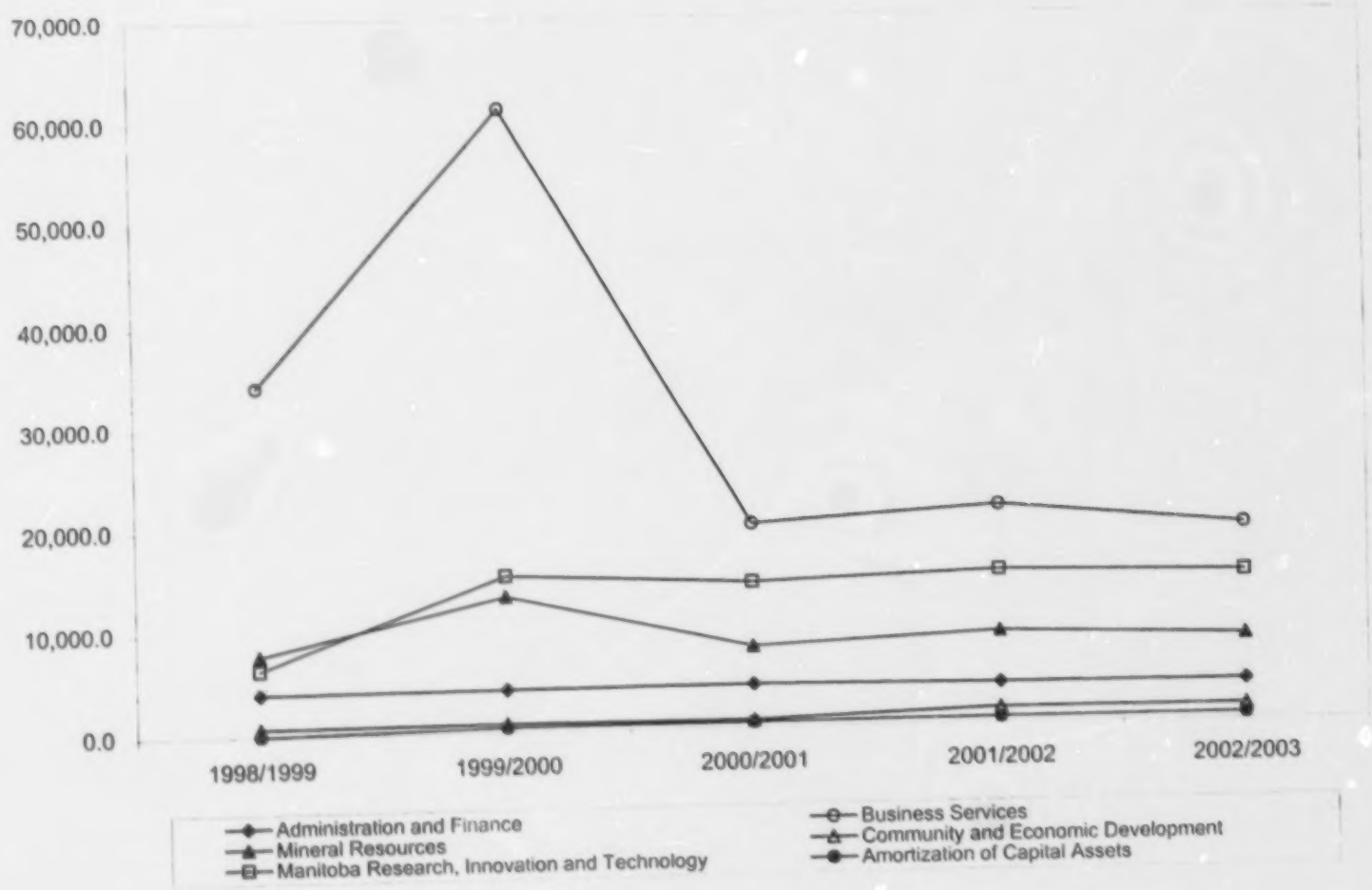
**Adjusted figures reflect historical data on a comparable basis in those appropriations affected by reorganization, during the years.*

Commencing in 1998/99, figures incorporate funding for the Desktop Management Initiative.

Explanation:

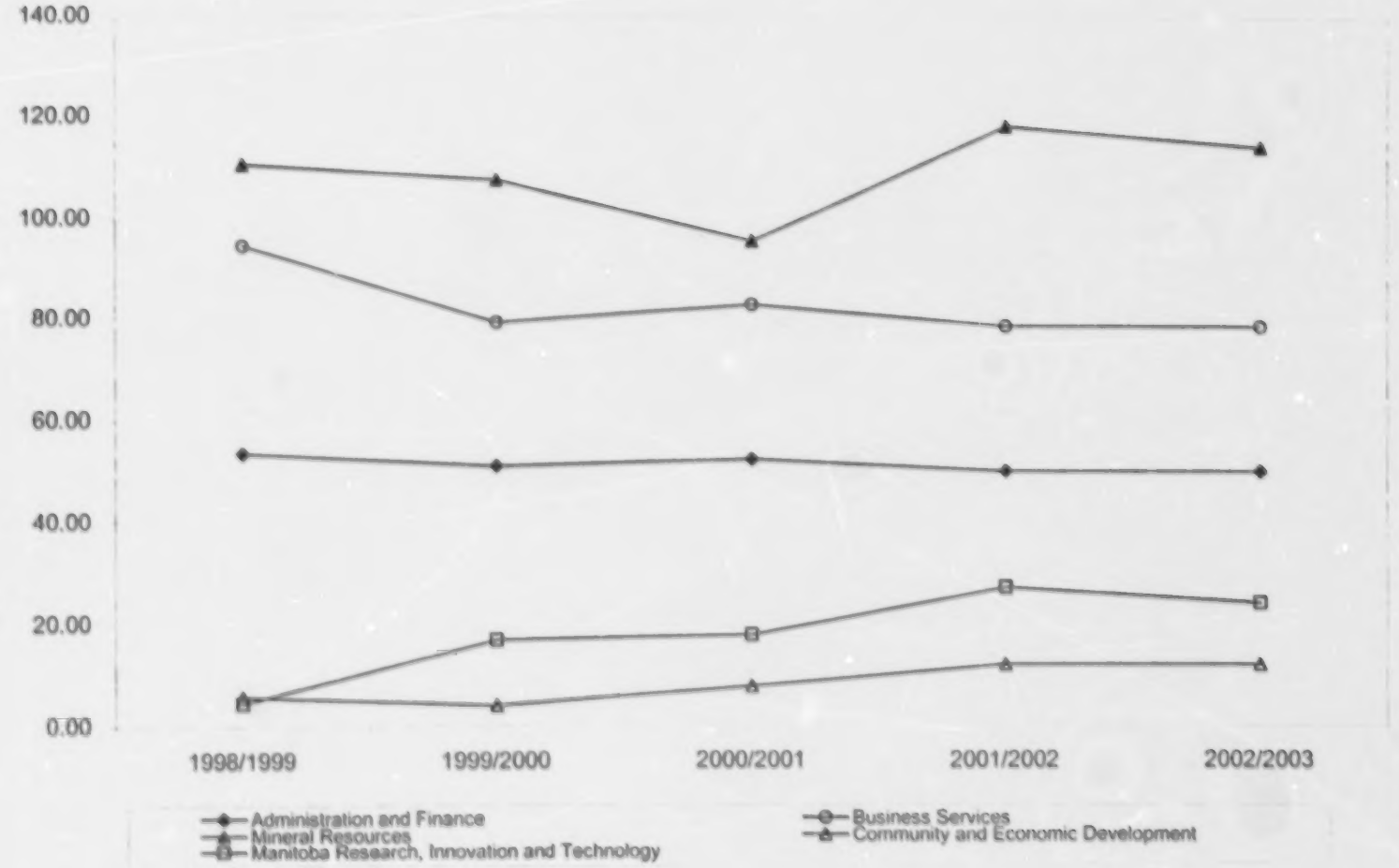
1. *Reflects change in government accounting policy, whereby capital assets are to be amortized based on their useful life rather than expenses in the year of acquisition.*

Five Year Expenditure History by Operating Division ($000s)



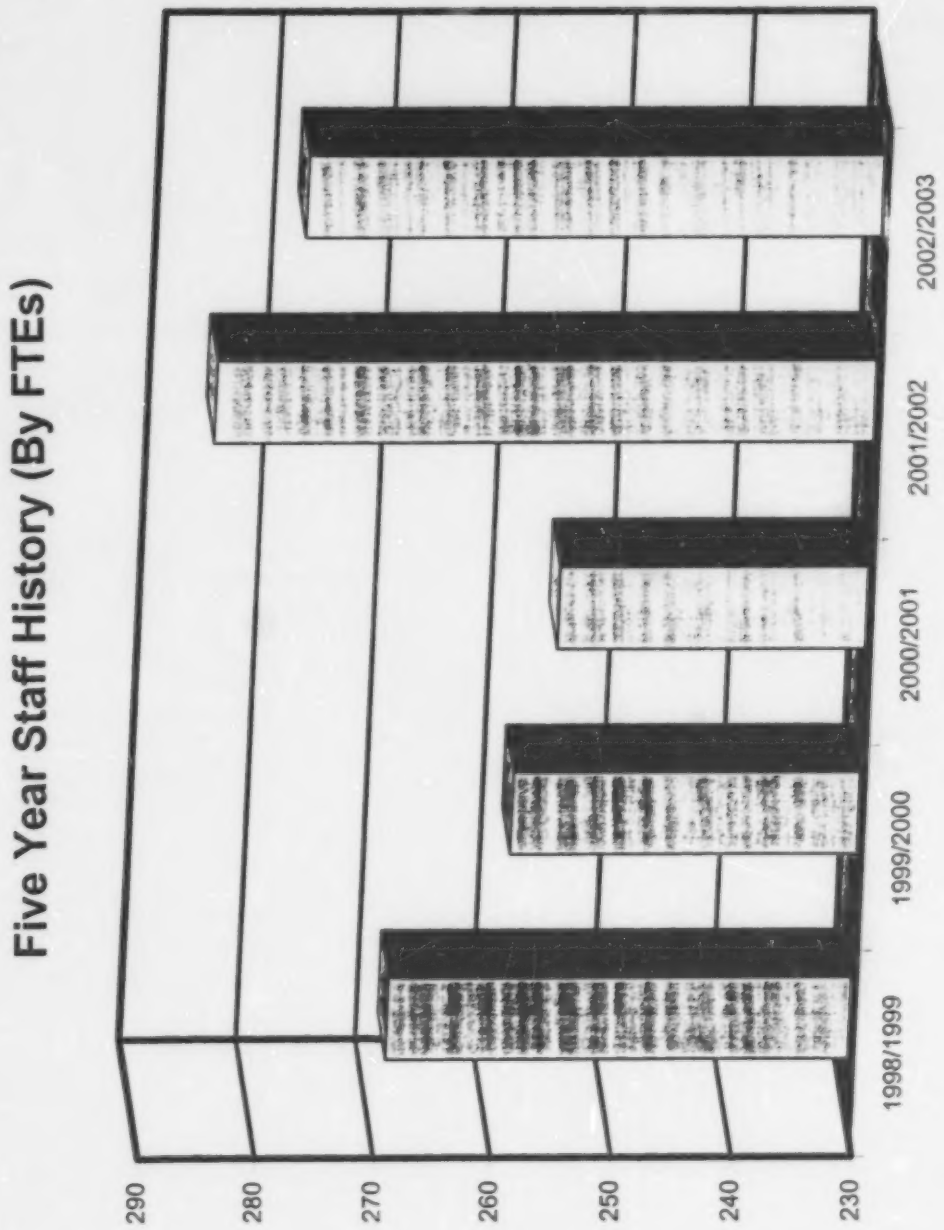
SCHEDULE 11

Five Year Expenditure History by Operating Division (FTEs)



SCHEDULE 12

SCHEDULE 13


Five Year Staff History (By FTEs)
290
280
270
260
250
240
230
1998/1999
1999/2000
2000/2001
2001/2002
2002/2003

PART 4

SPECIAL OPERATING AGENCIES

THE INDUSTRIAL TECHNOLOGY CENTRE

BACKGROUND

The Industrial Technology Centre (ITC) was first established in 1979 as part of the Manitoba Research Council (MRC). ITC was created to support and assist technology-based economic development in the Province of Manitoba. Effective September 1, 1992, the Economic Innovation and Technology Council (EITC) continued the activities of the former MRC, including operational responsibility for ITC. On April 1, 1996, ITC was designated as a Special Operating Agency (S.O.A.) and authority was transferred from EITC to Manitoba Industry, Trade and Tourism (IT&T). Effective October 5, 1999, ITC operates as part of Manitoba Industry, Trade and Mines (IT&M).

VISION

To be recognized as the best resource for solving technical issues for the benefit of Manitoba.

RESPONSIBILITY

ITC provides a wide range of technical services in support of technology-based economic development out of 21,000 square feet of leased premises. ITC customers primarily include Manitoba companies from various industrial sectors, as well as government agencies. ITC services are provided on a fee for service basis and under the Economic Development Contribution Agreement (the EDCA is a performance contract with IT&M that supports ITC for its contribution to economic development activities in Manitoba). ITC also partners with the National Research Council of Canada (NRC) in delivery and support of the Industrial Research Assistance Program (IRAP) in Manitoba. Some fee for service revenues are derived from contracts outside Manitoba and Canada.

ITC's services are categorized as:

- Technical Information and Advisory Services
- Engineering
- Document Examination Services (DES)
- Industrial Research Assistance Program (IRAP)
- Virtual Reality Centre (VRC)

ITC has implemented a new Virtual Reality Centre (VRC) located at ITC. The VRC will provide Manitoba industry with access to newer technologies, which will improve their productivity and competitiveness.

The breadth of staff expertise makes ITC a unique technical facility. ITC offers a wide range of technical services that complement each other (we provide a "one-stop shop"). By virtue of service lines that are not mutually exclusive, ITC engineers and technicians regularly collaborate on projects to provide customers with the best possible service and technical solutions. ITC's core staff level for FY 2002/2003 is 30.

PERFORMANCE MEASUREMENT

ITC has always played a role in fostering economic growth in Manitoba by virtue of the services it provides to its customers. A diverse range of in-house expertise enables ITC to assist Manitoba individuals and companies in many capacities, from converting a concept to a marketable product or service to establishing infrastructure that contributes to their growth.

The Economic Development Contribution Agreement (EDCA/performance contract) between ITC and Manitoba Industry, Trade and Mines provides the framework and opportunity for ITC to measure and report upon the results and public policy benefits of its services. Under the terms of this agreement, IT&M supports ITC for its economic development activities. ITC's technical and advisory services are expected to generate the following public policy benefits:

- Increased awareness, availability and utilization of new technologies to help companies remain competitive.
- Provision of testing services to assist companies with international standards compliance.
- Provision of access to high quality technical services otherwise not readily available to Manitoba companies.

In the performance based management framework and in the context of the performance contract with IT&M, ITC's performance measures and targets for FY 2001/2002 were as follows:

Performance Area and Goals	Strategic Initiatives	Performance Measures and Targets (for FY 2001/2002)
Economic Development		
• To support and contribute to economic development in Manitoba	• Provide technical advice and services that will enable customers to adopt processes, products and technologies that will foster economic growth • Investigate and pursue opportunities to partner with other institutions and government agencies	Capture influence on clients and impacts by utilizing Clients Survey and Economic Impacts Study: • Job creation • Increased sales • Cost reductions • Additional investment • Other financial impacts

PERFORMANCE MEASUREMENT - continued

Performance Area and Goals	Strategic Initiatives	Performance Measures and Targets (for FY 2001/2002)
Financial		

• To achieve long-term economic viability	• Challenge ongoing marketing efforts and long-term plans
	• Evaluate potential/existing service lines
	• Ensure services are cost effective
		Performance indicators for the upcoming year
		• Achieve fee for service revenue of $2,374,000 comprised of:
		  • $1,672,000 from commercial clients (including $1,045,000 from Document Examination, and $570,000 from Engineering)
		  • $702,000 from IRAP
		• Establish criteria for the utilization of Engineering staff resources
		• Confirm fee for service price lists
		
		Long-term performance indicators
		• Achieve financial targets as presented in the projections to March 31, 2004
		• Secure long-term stable EDCA funding
		• Continued profit margin in excess of 15% for Document Examination Services
		• Maintain chargeout rates on fee for service projects at the rate of 2.5 times salary

PERFORMANCE MEASUREMENT - continued

Performance Area and Goals	Strategic Initiatives	Performance Measures and Targets (for FY 2001/2002)
Customer		
• To sustain and enhance client relationships by providing high quality, valued technical services	• Obtain client feedback, monitor results and ensure services meet their needs • Cultivate working relationships with our clients and encourage their input • Pursue continuous improvement in service delivery	Performance indicators for the upcoming year • Implement system for capturing specific client satisfaction and other information, through client feedback in each service area • Establish focus groups with major clients for service evaluation • Build upon customer service program that was held with all ITC staff Long-term performance indicators • Maintain customer satisfaction level of 90% Maintain and broaden client base
Internal Business Processes		
• To anticipate, identify and apply appropriate technologies	• Ensure that services are responsive, relevant and timely • Encourage staff to participate in professional development activities and to be proficient in leading edge technologies • Apply technologies, and design and develop new services • Improve quality of service delivery • Improve operation efficiency	• Establish the Virtual Reality Centre by September 30, 2001 • CLAS certification for the Calibration Laboratory by July 31, 2001 • Implement capital acquisition plan • Ongoing evaluation of computer information system to identify opportunities for improvement, and implement solutions • Ongoing examination of administrative processes to identify opportunities for improvement • Ongoing review of laboratory procedures • Review current quality system in readiness for meeting the requirements of the ISO 9001:2000 standards

PERFORMANCE MEASUREMENT - continued

Performance Area and Goals	Strategic Initiatives	Performance Measures and Targets (for FY 2001/2002)
Learning and Growth		
• To cultivate a work environment that promotes employee achievement, creativity, initiative and growth	• Encourage and support staff training and development, congruent with corporate and personal goals • Implement employee recognition program • Seek and encourage employee input, foster teamwork and improve internal communications	• Undertake annual employee survey to identify opportunities for work environment and operational improvements • Match and develop employee skills to meet specific service needs • Implement organization-wide employee performance evaluation system, including annual training plans

The economic impacts of ITC for FY 2001/2002 were as follows:

Summary of Economic Impacts

Category	Impact of ITC Services
New Jobs Created	**54**
Jobs Saved/Maintained	**807**
Sales Increase	**$1.6 million**
Cost Savings Identified	**$649,000**
Investment Increases	**$6.0 million**
Impact of ITC on Client Business Functions	**75% of respondents reported that ITC had a significant impact on their organization.**

These results are compiled from the responses of 70 individuals representing a sample of ITC clients (61 clients). No attempt has been made to extrapolate the impacts for ITC's entire project client base (approximately 250 clients).

Performance measures and targets for FY 2002/2003 will be set as part of the FY 2002/2003 EDCA with IT&M.

Projected Balance Sheet
As at March 31
(In Thousands)

	Actual 2001	Budget 2002	Budget 2003	Projection 2004	Projection 2005
Assets					
Current					
Cash and funds on deposit with Minister of Finance (Note 3)	$ 869	$ 312	$ 654	$ 949	$ 1,286
Accounts receivable	1,063	290	270	280	290
Prepaid expenses	20	22	20	20	20
	1,952	624	944	1,249	1,596
Due from Province of Manitoba (Note 5)	103	142	103	103	103
Capital assets (Notes 2 and 4)	418	844	658	531	434
	$ 2,473	$ 1,610	$ 1,705	$ 1,883	$ 2,133
Liabilities					
Current					
Accounts payable and accrued liabilities	$ 1,111	$ 272	$ 290	$ 290	$ 290
Severance liability (Note 5)	138	218	178	198	218
	1,249	490	468	488	508
Equity					
Contributed Equity (Note 6)	62	62	62	62	62
Retained Earnings	1,162	1,058	1,175	1,333	1,563
	1,224	1,120	1,237	1,395	1,625
	$ 2,473	$ 1,610	$ 1,705	$ 1,883	$ 2,133

Projected Statement of Earnings and Retained Earnings
For the Years Ended March 31

(In Thousands)	Actual 2001	Budget 2002	Budget 2003	Projection 2004	Projection 2005
Revenue					
Province of Manitoba	$ 765	$ 750	$ 750	$ 750	$ 750
Fee for service	2,255	2,374	1,953	1,754	1,838
Other	65	10	5	25	25
	3,085	3,134	2,708	2,529	2,613
Operating expenses					
Advertising and promotion	74	85	70	70	72
Amortization	111	148	181	152	122
Audit and legal	15	10	10	10	10
Bad debts	1	16	15	17	18
Building maintenance and repair	50	40	45	45	46
Computer	73	71	25	25	26
Equipment rental, maintenance and repair	28	34	40	60	62
Fees and memberships	45	26	25	29	25
Heat and utilities	33	36	37	37	38
Insurance	25	39	48	48	49
Laboratory supplies	63	67	32	33	33
Library operations	23	34	39	39	40
Loss on disposal of capital assets	-	-	-	-	-
Office	70	77	59	63	64
Professional development	80	96	82	43	44
Purchased services	45	31	57	30	31
Rent and property tax	111	111	112	119	120
Salaries and benefits	1,911	2,205	1,798	1,511	1,542
Travel	87	78	53	40	41
	2,845	3,204	2,708	2,371	2,383
Net earnings	240	(70)	-	158	230
Retained earnings at beginning of period	922	1,128	1,175	1,175	1,333
Retained earnings at end of period	$ 1,162	$ 1,058	$ 1,175	$ 1,333	$ 1,563

INDUSTR IAL TECHNOLOGY CENTRE

For the Years Ended March 31
(In Thousands)

	Actual 2001	Budget 2002	Budget 2003	Projection 2004	Projection 2005
Cash derived from (applied to)					
Operating activities					
Net earnings	$ 240	$ (70)	$ -	$ 158	$ 230
Items not involving cash					
Amortization	111	148	181	152	122
Loss on disposal of capital assets	-	-	-	-	-
	351	78	181	310	352
Changes in non-cash working capital balances					
Accounts receivable	(881)	720	-	(10)	(10)
Prepaid expenses	2	(5)	-	-	-
Accounts payable	789	(781)	20	20	20
	261	12	201	320	362
Investing activities					
Acquisition of capital assets	(63)	(568)	(14)	(25)	(25)
Net increase (decrease) in cash	198	(556)	187	295	337
Cash at beginning of period	671	868	467	654	949
Cash at end of period	$ 869	$ 312	$ 654	$ 949	$ 1,286
Represented by					
Cash and funds on deposit with Minister of Finance	$ 869	$ 312	$ 654	$ 949	$ 1,286
Working capital advance (Note 3)	-	-	-	-	-
	$ 869	$ 312	$ 654	$ 949	$ 1,286

Notes to the Projected Financial Statements
For the years ended March 31
(In Thousands)

1. Nature of Organization

The Industrial Technology Centre (ITC) was established in 1979 under "Enterprise Manitoba", a joint Federal/Provincial cost-shared funding agreement. ITC was managed by the Manitoba Research Council until September 1992 when responsibility for ITC was transferred to the Economic Innovation & Technology Council (EITC). ITC was created as a technical resource for Manitoba industry and government and continues to provide a wide range of technical services to both the private and public sectors. ITC also partners with the National Research Council for delivery of the "Industrial Research Assistance Program" in Manitoba.

Effective April 1, 1996, ITC was designated as a Special Operating Agency under The Special Operating Agencies Financing Authority Act, Cap. S185, C.C.S.M., and operates under a charter approved by the Lieutenant Governor in Council. Concurrently, responsibility for ITC was transferred from EITC to Manitoba Industry, Trade and Tourism (now Industry, Trade and Mines).

ITC is financed through the Special Operating Agencies Financing Authority (SOAFA). SOAFA has the mandate to hold and acquire assets required for and resulting from Agency operations and has access to a working capital loan. The financial framework allows the Agency to operate in a business-like manner, which is facilitated by SOA status.

A Management Agreement between SOAFA and the Minister of Industry, Trade and Mines assigns responsibility to the Agency to manage and account for the Agency related assets and operations on behalf of SOAFA.

An Economic Development Contribution Agreement between ITC and Manitoba Industry, Trade and Mines defines expected public policy benefits generated from ITC's operations. The agreement requires ITC to monitor and report on economic development, financial, customer, internal business processes, along with learning and growth performance.

ITC has full delegated authority for all administrative, financial and operational matters. This delegation is subject to any limitations, restrictions, conditions and requirements imposed by legislation or by the Minister.

Notes to the Projected Financial Statements
For the years ended March 31
(In Thousands)

2. Significant Accounting Policies

Basis of reporting

The financial statements are prepared in accordance with Canadian generally accepted accounting principles.

Capital assets

Capital assets are recorded at cost. Amortization, intended to write-off the assets over their estimated useful lives, is recorded at the following annual rates and methods:

Furniture and fixtures	20%, declining balance
Office and laboratory equipment	20%, declining balance
Computer equipment and software	20%, straight-line

3. Working Capital Advance

The Agency has an authorized line of working capital advances up to a maximum of $300.

4. Capital Assets (Net Book Value)

	Actual 2001	Budget 2002	Budget 2003	Projection 2004	Projection 2005
Furniture and fixtures	$ 3	$ 2	$ 2	$ 2	$ 1
Equipment	296	495	595	499	422
Computer equipment and software	119	347	61	30	11
	$ 418	**$844**	**$658**	**$531**	**$434**

Notes to the Projected Financial Statements
For the years ended March 31
(In Thousands)

5. Severance Pay Benefits

Effective April 1, 1998, ITC began recording accumulated severance pay benefits for its employees. The estimate of the liability was based on the method of calculation set by the Province.

The Province has accepted responsibility for the severance benefits accumulated by ITC's employees to March 31, 1998. Accordingly, the opening severance pay liability balance as at April 1, 1998 calculated at $103 was completely offset by a receivable from the Province. There are no terms of repayment of this receivable, and the amount will remain fixed.

An actuarial valuation report of ITC's severance as at March 31, 2000 has been completed. The report provides a formula to update the liability on an annual basis. ITC's liability has been calculated in accordance with this formula.

6. Contributed Equity

A Transfer Agreement between the Special Operating Agencies Financing Authority and Manitoba effected a transfer of capital assets, current assets and current liabilities from Manitoba to SOAFA as at March 31, 1996. Net assets in the amount of $124 were transferred to continue the operations of ITC. ITC has repaid SOAFA the debt portion of $62 (50% of the value of the net assets) and recorded the remaining $62 (50% of the value of the net assets) as Manitoba's equity in SOAFA as related to the Agency's operations.

7. Commitment

The Agency has entered into a lease agreement for rental of the facilities at 1329 Niakwa Road East, Winnipeg, Manitoba. The lease, expiring on March 31, 2005, requires future lease payments as follows:

2002	$ 84
2003	$ 91
2004	$ 91

This lease agreement may be terminated on March 31, 2003 or March 31, 2004, at ITC's option.

Notes to the Projected Financial Statements
For the years ended March 31
(In Thousands)

8. Pension Liability

In accordance with the provisions of The Civil Service Superannuation Act, employees of ITC are required to contribute to the Civil Service Superannuation Fund at prescribed rates for defined benefits. ITC matches the employees' contributions to the Fund. Under this Act, ITC has no further pension liability.

9. Related Party Transactions

The Agency is related in terms of common ownership to all Province of Manitoba created departments, agencies and Crown corporations. The Agency enters into transactions with these entities in the normal course of business.

PART 5

GLOSSARY

Cost Element

A cost element is a classification of expenditures according to the nature of expense such as salaries, supplies and services, etc., which identifies the object of expenditure out of appropriation funds. The government accounting system tracks expenditures according to the following cost element groups:

Cost Element Group	Components
Salaries	Regular Earnings, Other Earnings (overtime, shift premium), Ministers and Members of the Legislative Assembly, Fringe Benefits, Other (Worker's Compensation Allowance, Supplement), Health and Education Tax Levy, Benefit Chargeback.
Grants/Transfer Payments	Discretionary Grant, Nondiscretionary Grant, Transfer Payment, Valuation Allowance, Capital Grant.
Transportation	Vehicles, Aircraft, Other (taxi, bus, freight, rail), Travel Agency Fees, Freight/Courier.
Communication	Telephone, Electronic Communication Services, Postal Services, Advertising/Program Promotion, Radio Systems, Other.
Supplies and Services	Operating Supplies, Materials, Office Supplies, Maintenance, Other Services, Rentals, Professional Services, Utilities, Other Fees.
Public Debt	Credit/Debit Card Fees, Gain/Loss on Foreign Exchange, Interest on Debt, Discount on Debt, Amortization - Debt, Interest Charges, Other Charges.
Minor Capital	Land, Buildings, Vehicles, Machinery & Equipment, Computers, Furniture, Leasehold Improvements, Loss on Sale of an Asset, Amortization Expense.
Other Operating	Accommodations, Food and Beverage, Computer Related Charges, Insurance Costs, Publications, Allowances and Other Financial Compensation, Other Personnel Costs (relocation/transfer costs), Other Operating (membership fees, hospitality, employee training, uniforms, conference/convention registration fees, incidental allowances), Imputed Surcharges.
Financial Assistance and Related Costs	Consumables on Behalf of Citizens (Clothing, Food, Drugs), Fees and Services, Shelter, Transportation, Special needs, Direct Assistance Payments, indirect Assistance Payments.

Employee Benefits

Costs incurred by government for its contributions to the Employment Insurance Program, the Canada Pension Plan, the Group Life Insurance Plan and the Ambulance, Hospital Semi-Private Plan, as well as the payments made under the Dental Plan, the Long-Term Disability Plan and the Levy for Health & Post Secondary Education.

Estimates of Expenditure (Adjusted)

A re-alignment of the previous year's estimates of expenditure for any organizational change to provide for more accurate and realistic comparisons from one budget year to the next.

Full Time Equivalent (FTE)

A measurement for number of positions. Every full-time regular position represents one full-time equivalent position. Other categories (e.g. term, departmental, seasonal, contract) are measured in proportional equivalents, e.g., a program with a vote of 1.50 term FTE could hire staff in any combination that results in a total of 1□(or 78 weeks) of employment (e.g. 6 staff for 3 months (13 weeks) each; 2 staff for 9 months (39 weeks) each; 1 full time and 1 half time staff for 1 year; 3 half time staff for 1 year, etc.)

Staff Categories
Managerial

Positions which have been delegated the authority and have the responsibility to plan, administer, and control the resources and activities of a defined organizational unit in the Manitoba Government and are directly and fully accountable for:

- the utilization of resources in achieving planned objectives including the development of a budget and the initiation and authorization of expenditures; and,
- the organization's results and impacts.

Professional/Technical

Employees who have duties that relate to specific areas of program operations requiring some functional specialization.

Included in this category are employees classified within the following components and/or series:

Education
Health
Legal, Inspection and Regulatory
Physical Sciences
Social Sciences
Trades, Operations and Services
Personnel Officer Series
Administration (with the exception of the Administrative Officer Series)
Engineers (O.P.E.E.P.M.)
Legal Aid Lawyers (L.A.L.A.)
Crown Attorneys (M.A.C.A.)
Doctors (M.M.A.)
L.A.M.C. Staff
Professional Officer Series

NOTE: Those employees designated as managers and also classified within one of the above components or the excluded component shall be categorized only once, as managerial.

Administrative Support

Employees who have duties related to the provision of support and assistance to program operations.

Included in this category are employees classified within the clerical component or the Administrative Officer series.

Staff Turnover Allowance

An adjustment made to a salaries account to allow for attrition and staff turnover. It is a negative adjustment to enable the organization to more accurately display salary requirements.